

Case No. 2005-00476

EAST LAUREL WATER DISTRICT

RECEIVED

LIST OF EXHIBITS

NOV 28 2005

PUBLIC SERVICE
COMMISSION

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RECEIVED

NOV 28 2005

PUBLIC SERVICE
COMMISSION

**COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION**

IN THE MATTER OF:

**THE APPLICATION OF THE EAST LAUREL
WATER DISTRICT FOR APPROVAL OF A
PROPOSED INCREASE IN RATES FOR WATER
SERVICE**

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) **CASE NO. 2005-00476**
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STATEMENT AND NOTICE

East Laurel Water District ("East Laurel"), hereby petitions the Commission for approval of a proposed increase in its water rates and charges. In support of its application, East Laurel respectfully states as follows:

1. East Laurel is a non-profit water District. East Laurel's principal office, place of business and mailing address is P.O. Box 726, London, Kentucky 40741.

2. East Laurel is engaged in the distribution and sale of water. It currently provides water service to approximately 4,580 retail customers. East Laurel also provides water to the former Hima-Sibert Water District, which has been acquired by the City of Manchester.

3. The proposed increase in rates and charges is necessary for East Laurel to meet its operating expenses, to maintain financial viability, to cover its debt service, and to continue to provide adequate service.

4. For the purpose of justifying the reasonableness of the proposed increase, East Laurel has utilized a historical test period consisting of the twelve (12) consecutive calendar months ending December 31, 2003.

consecutive calendar months ending December 31, 2003 as the historical test year. East Laurel is not requesting adjustments outside year ending 2003 with the exception of the increase in purchased water costs. East Laurel understands that it could make adjustments to its test year expenses and receive additional revenue. However, at this time due to the impact of the requested increase, East Laurel requests that the proposed rates be approved by the Commission, with no further adjustments.

11. A copy of this filing has been mailed to the Utility Intervention and Rate Division of the Attorney General's office of the Commonwealth of Kentucky.

12. As required by 807 KAR 5:001, Section 10, (4), (f), East Laurel will post a copy of its Customer Notice at its place of business on the same day the application is filed with the Public Service Commission, and it will remain posted until the Public Service Commission has determined East Laurel's rates.

13. The list of the documents filed in support of East Laurel's application for approval of the proposed adjustment of rates or the explanation for their absence is contained in the Filing Requirement Index.

WHEREFORE, the Applicant, East Laurel Water District requests that the Public Service Commission of Kentucky grant to the Applicant its proposal to increase its rates and charges as set forth in this Petition.

Dated at London, Kentucky this Nov. 4, 2005.

EAST LAUREL WATER DISTRICT

By John Douglas Day
Chairman

COMMONWEALTH OF KENTUCKY

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COUNTY OF LAUREL

The undersigned, being duly sworn, deposes and states he is the Chairman of the East Laurel Water District, Applicant, in the above proceedings; that he has read the foregoing Application and has noted the contents thereof; that the same is true of his own knowledge, except as to matters which are there in stated on information or belief, and as to those matters, he believes same to be true.

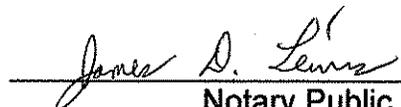
IN TESTIMONY WHEREOF, witness the signature of the undersigned on this Nov. 4, 2005.



Chairman
East Laurel Water District

Subscribed and sworn to before me by JOHN DOUGLAS DAY, Chairman of the East Laurel Water District, on this Nov. 4, 2005.

My Commission Expires OCTOBER 20, 2007



Notary Public
In and for said County and State

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 8(1)	Full name and P. O. address of applicant and reference to the particular provision of law requiring PSC approval.	Application – Page No. 1.
807 KAR 5:001 Section 8(2)	The original and 10 copies of application plus copy for anyone named as interested party.	The correct number of applications have been filed.
807 KAR 5:001 Section 10(1)(b)(1)	Reason adjustment is required.	Application – Page No. 1.
807 KAR 5:001 Section 10(1)(b)(2)	Statement that utility's annual reports, including the most recent calendar year, are filed with PSC. 807 KAR 5:006, Section 3(1)	Application – Page No. 2.
807 KAR 5:001 Section 10(1)(b)(3) & (5)	If utility is incorporated, certified copy of articles of incorporation and amendments or out of state documents of similar import. If they have already been filed with PSC refer to the style and case number of the prior proceeding and file a certificate of good standing or authorization dated within 60 days of date application filed.	East Laurel is a water district.
807 KAR 5:001 Section 10(1)(b)(4) & (5)	If applicant is limited partnership, certified copy of limited partnership agreement. If agreement filed with PSC refer to style and case number of prior proceeding and file a certificate of good standing or authorization dated within 60 days of date application filed.	N/A – East Laurel is not a limited partnership.
807 KAR 5:001 Section 10(1)(b)(6)	Certified copy of certificate of assumed name required by KRS 365.015 or statement that certificate not necessary.	N/A – East Laurel has never used an assumed name.
807 KAR 5:001 Section 10(1)(b)(7)	Proposed tariff in form complying with 807 KAR 5:011 effective not less than 30 days from date application filed.	Exhibit No. 1.
807 KAR 5:001 Section 10(1)(b)(8)	Proposed tariff changes shown by present and proposed tariffs in comparative form or by indicating additions in italics or by underscoring and striking over deletions in current tariff.	Exhibit No. 2.
807 KAR 5:001 Section 10(1)(b)(9)	Statement that notice given, see subsections (3) and (4) of 807 KAR 5:001, Section 10 with copy.	Application – Page No. 2. Exhibit No. 3.

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 10(2)	If gross annual revenues exceed \$1,000,000, written notice of intent filed at least 4 weeks prior to application. Notice shall state whether application will be supported by historical or fully forecasted test period.	Deviation requested – Page 3.
807 KAR 5:001 Section 10 (6)(a)	Complete description and quantified explanation for proposed adjustments with support for changes in price or activity levels, and other factors affecting the adjustment.	Exhibit No. 4.
807 KAR 5:001 Section 10 (6)(b) & (c)	If gross annual revenues exceed \$1,000,000, prepared testimony of each witness who will support the application. If less than \$1,000,000, prepared testimony of each witness who will support application or statement that utility does not plan to submit prepared testimony.	East Laurel does not intend to submit prepared testimony.
807 KAR 5:001 Section 10 (6)(d)	Estimate of effect that new rate(s) will have on revenues including, at minimum, total revenues resulting from increase or decrease and percentage of increase or decrease.	Customer Notice – Exhibit No. 3 and application at Page 2
807 KAR 5:001 Section 10 (6)(e)	If electric, gas, water or sewer utility effect upon the average bill for each customer classification to which change will apply.	Exhibit No. 3 (Customer notice).
807 KAR 5:001 Section 10 (6)(f)	If local exchange company, effect upon the average bill for 807 each customer class for change in basic local service.	N/A – East Laurel is a Water District
807 KAR 5:001 Section 10 (6)(g)	Analysis of customers' bills in such detail that revenues from present and proposed rates can be readily determined for each customer class.	Exhibit No 5.
807 KAR 5:001 Section 10 (6)(h)	Summary of determination of revenue requirements based on return on net investment rate base, return on capitalization, interest coverage, debt service coverage, or operating ratio, with supporting schedules.	Exhibit No. 4.
807 KAR 5:001 Section 10 (6)(i)	Reconciliation of rate base and capital used to determine revenue requirements.	N/A – Revenue Requirement reflects Debt Service.

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 10 (6)(j):	Current chart of accounts if more detailed than the Uniform System of Accounts.	Not applicable
807 KAR 5:001 Section 10 (6)(k)	Independent auditor's annual opinion report, with any written communication from auditor, which indicates existence of material weakness in internal controls.	The 2003 Audit Report is attached as Exhibit 6.
807 KAR 5:001 Section 10 (6)(l):	The most recent FERC or FCC audit reports.	N/A – East Laurel is a Water District
807 KAR 5:001 Section 10 (6)m	The most recent FERC Form 1 (electric), FERC Form 2 (gas), or Automated Reporting Management Information System Report (telephone) and PSC Form T (telephone).	N/A – East Laurel is a Water District.
807 KAR 5:001 Section 10 (6)(n)	Summary of latest depreciation study with schedules by major plant accounts, except that telecommunications utilities adopting PSC's average depreciation rates shall provide schedule identifying current and test period depreciation rates used by major plant accounts. If filed in another PSC case refer to that case's number and style.	Exhibits No. 6 and 10. The audit report and annual report show depreciation schedules. There are no other studies of depreciation available to East Laurel.
807 KAR 5:00 Section 10 (6)(o)	List of all commercial or in-house computer software, programs, and models used to develop schedules and work papers associated with the filing. Include each software, program, or model; what each was used for; its supplier; brief description and specifications for the computer hardware and the operating system required to run the program.	Excel Word
807 KAR 5:001 Section 10 (6)(p)	Prospectuses of most recent stock or bond offerings.	N/A – East Laurel is a Water District
807 KAR 5:001 Section 10 (6)(q)	Annual report to shareholders, or members, and statistical supplements covering 2 years prior to application filing date.	N/A – East Laurel is a Water District

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 10 (6)(r)	Monthly managerial reports providing financial results for 12 months in test period.	Exhibit 7 – reports for 2004 only.
807 KAR 5:001 Section 10 (6)(s)	SEC's annual report for most recent 2 years, Form 10-Ks and any Form 8-Ks issued within past 2 years, and Form 10-Qs issued during the past 6 quarters updated as current information becomes available.	N/A – East Laurel is a Water District
807 KAR 5:001 Section 10 (6)(t)	<p>If utility had any amounts charged or allocated to it by affiliate or general or home office, or paid any monies to affiliate or general or home office during test period or during previous 3 calendar years, file:</p> <ol style="list-style-type: none"> 1. Detailed description of method of calculation and amounts allocated or charged to utility by affiliate or general or home office for each charge allocation or payment; 2. Explanation of how allocator for the test period was determined; and 3. All facts relied upon, including other regulatory approval, to demonstrate that each amount charged, allocated or paid during test period was reasonable; 	N/A – There are no affiliate allocations.

**Filing Requirement Index
Historical Test Period Rate Case**

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 10 (6)(u)	If gas, electric or water utility, whose annual gross revenues exceed \$5,000,000, cost of service study based on methodology generally accepted in industry and based on current and reliable data from a single time period.	Exhibit 8
807 KAR 5:001 Section 10 (6)(v)	<p>Local exchange carriers with fewer than 50,000 access lines need not file cost of service studies, except as specifically directed by PSC. Local exchange carriers with more than 50,000 access lines shall file:</p> <ol style="list-style-type: none"> 1. Jurisdictional separations study consistent with Part 36 of the FCC's rules and regulations; and 2. Service specific cost studies to support pricing of all services that generate annual revenue greater than \$1,000,000, except local exchange access: <ol style="list-style-type: none"> (a) Based on current and reliable data from a single time period; and (b) Using generally recognized fully allocated, embedded, or incremental cost principles. 	N/A – East Laurel is a Water District
807 KAR 5:001 Section 10 (7)(a)	Detailed income statement and balance sheet reflecting impact of all proposed adjustments	Exhibits No. 6 and 10, annual report and audit report
807 KAR 5:001 Section 10 (7)(b)	Most recent capital construction budget containing at least period of time as proposed for any pro forma adjustment for plant additions.	NA – East Laurel is not proposing any pro forma adjustment for plant additions.

Filing Requirement Index Historical Test Period Rate Case

Filing Requirements	Filing Requirement Description	Location or Absence Reason
807 KAR 5:001 Section 10 (7)(c)	<p>For each proposed pro forma adjustment reflecting plant additions the following information:</p> <ol style="list-style-type: none"> 1. Starting date of the construction of each major component of plant; 2. Proposed in-service date; 3. Total estimated cost of construction at completion; 4. Amount contained in construction work in progress at end of test period; 5. Complete description of actual plant retirements and anticipated plant retirements related to the pro forma plant additions including the actual or anticipated date of retirement; 6. Original cost, cost of removal and salvage for each component of plant to be retired during the period of the proposed pro forma adjustment for plant additions; 7. Explanation of any differences in amounts contained in the capital construction budget and amounts of capital construction cost contained in the pro forma adjustment period; and 8. Impact on depreciation expense of all proposed pro forma adjustments for plant additions and retirements; 	NA – East Laurel is not proposing any pro forma adjustment for plant additions.
807 KAR 5:001 Section 10 (7)(e)	Number of customers to be added to the test period – end level of customers and the related revenue requirements impact for all pro forma adjustments with complete details and supporting work papers.	Exhibit No. 9. Billing analysis for proposed rates.

FOR East Laurel Water District
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

East Laurel Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

A. Minimum Water Rates Based on Size Connections

<u>Size of Connection</u>	<u>Number of Gallons or Less of Water per Month to be Provided For the Minimum Rate</u>	<u>Minimum Rate</u>
5/8 x 3/4 Inch	2,000	\$15.40
1 Inch	6,000	38.26
2 Inch	20,000	101.46
3 Inch	30,000	144.86

B. Meter Rates for Water Usage in Addition to Minimum Charge

Subject to the minimum water rates specified above, the following metered charges shall be made for each 1,000 gallons of water consumption per month to customers of all connections.

First 2,000 Gallons or Less	\$15.40 Minimum Bill
Next 2,000 Gallons	5.86 per 1,000 Gallons
Next 2,000 Gallons	5.57 per 1,000 Gallons
Next 4,000 Gallons	4.95 per 1,000 Gallons
Over 10,000 Gallons	4.34 per 1,000 Gallons

C. Wholesale Rate: City of Manchester \$3.23 per 1,000 Gallons

D. Delinquent Accounts: If bills are not paid by the 15th of the month, a 10% penalty will be added to the bill.

Date of Issue _____

Date Effective _____

Issued By John Douglas Day

Title _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION

IN CASE NO. _____ DATED _____

FOR East Laurel Water District
Community, Town or City

P.S.C. KY. NO. _____

_____ SHEET NO. _____

East Laurel Water District
(Name of Utility)

CANCELLING P.S.C. KY. NO. _____

_____ SHEET NO. _____

RATES AND CHARGES

Minimum Water Rates Based on Size Connections

<u>Size of Connection</u>	<u>Number of Gallons or Less of Water per Month to be Provided For the Minimum Rate</u>	<u>Present Minimum</u>	<u>Proposed Minimum</u>
5/8 x 3/4 Inch	2,000	\$10.82	\$15.40
1 Inch	6,000	25.96	38.26
2 Inch	20,000	61.90	101.46
3 Inch	30,000	86.60	144.86

Meter Rates for Water Usage in Addition to Minimum Charge

Subject to the minimum water rates specified above, the following metered charges shall be made for each 1,000 gallons of water consumption per month to customers of all connections.

	<u>Present</u>	<u>Proposed</u>
First 2,000 Gallons or Less	\$10.82	\$15.40 Minimum Bill
Next 2,000 Gallons	4.09	5.86 per 1,000 Gallons
Next 2,000 Gallons	3.48	5.57 per 1,000 Gallons
Next 4,000 Gallons	2.81	4.95 per 1,000 Gallons
Over 10,000 Gallons	2.47	4.34 per 1,000 Gallons

Wholesale Rate: City of Manchester

Present - \$1.78 per 1,000 Gallons
Proposed - \$3.23 per 1,000 Gallons

Delinquent Accounts: If bills are not paid by the 15th of the month, a 10% penalty will be added to the bill.

Date of Issue _____

Date Effective _____

Issued By _____

Title _____

BY AUTHORITY OF ORDER OF THE PUBLIC SERVICE COMMISSION
IN CASE NO. _____ DATED _____

NOTICE

Notice is hereby given that the East Laurel County Water District, has filed an application with the Public Service Commission to increase its rates for water service.

	Current Rates	Proposed Rates
First 2,000	\$10.82	\$15.40
Next 2,000	4.09	5.86
Next 2,000	3.48	5.57
Over 4,000	2.81	4.95
Over 10,000	2.47	4.34
Wholesale	1.78	3.23

Minimum Water Rates and Usage Based On Connection Size

<u>Connection Size</u>	<u>Minimum Usage</u>	<u>Current Minimum Rate</u>	<u>Proposed Minimum Rate</u>
5/8 Inch	2,000	10.82	15.40
1 Inch	6,000	25.95	38.26
2 Inch	20,000	61.90	101.46
3 Inch	30,000	86.60	144.86

Based on the rates proposed by East Laurel Water District, customers connected to a 5/8 inch meter using 5,000 gallons will receive and increase from \$22.48 to \$32.69 an increase of \$10.21 or 45.4 percent. The rates contained in this Notice are the Rates proposed by West Laurel County Water District. However, the Public Service Commission may order rates to be charged that differ from the rates contained in this notice.

Customers of the Association are advised that any corporation, association, body politic or person with a substantial interest in the matter may, by written request, within (30) thirty days after publication of this Notice of the proposed rate changes, request to intervene by motion to the PSC. Intervention may be granted beyond the thirty (30) day period for good cause shown. Any motion by customers desiring to intervene shall be submitted to the Public Service Commission, 211 Sower Blvd., P.O. Box 615, Frankfort, Kentucky 40602 and shall set forth the grounds for the request, including status and interest of the party intervening. Intervenors may obtain copies of the application and any other filings made by the District by contacting the District at 606-878-9420 or by visiting the District's offices at 1670 Hal Rogers Parkway East in London, Kentucky.

EAST LAUREL WATER DISTRICT			
STATEMENT OF REVENUES AND EXPENSES			
Operating Income	Test Year	Adjustments	Pro forma
Retail Sales	\$ 1,137,071	\$ 12,004	\$ 1,149,075
Wholesale	32,432		32,432
Interest Income	14,961		14,961
Forfeited Discounts	48,283		48,283
Total Income	\$ 1,232,747	\$ 12,004	\$ 1,244,751
Operating Expenses from 2003 Audit Report			
Purchased Water	\$ 458,219	\$ 403,339	\$ 861,558
Purchased Power	22,306		22,306
Materials and Supplies	185,118		185,118
Contractual Services	326,622		326,622
Bad Debt Expense	6,331		6,331
Legal and Accounting	11,587		11,587
Engineering	2,510		2,510
Insurance	7,648		7,648
Commissioner's Fees	6,930		6,930
Taxes other than Income	2,092		2,092
Depreciation	189,211		189,211
Amortization	11,281		11,281
Miscellaneous	1,475		1,475
Total Operating and Maintenance	\$ 1,231,330	\$ 403,339	\$ 1,634,669
Debt			
Interest	125,236	(9,065)	116,171
Principal	309,000	(251,167)	57,833
Coverage	86,847	(52,046)	34,801
Total Expenses	1,752,413	91,061	\$ 1,843,474
Total Income			1,244,751
Increase Required			598,723

EAST LAUREL WATER DISTRICT	
INCREASE IN PURCHASED WATER COSTS	
Water Purchased	371,361
Cost at Old Rate	1.24
Water Cost	\$ 460,488
Cost at New Rate	2.32
New Cost	\$ 861,558
Increase	\$ 401,070
Water Sold	316,400
Sales / Increase in Cost	0.79
New Water Costs to Allow for Line Loss	
Sales times Increase in Cost	\$ 249,605

East Laurel Water District

Principal and Interest Payments

RD 91-02	Interest	Principal	Total
2005	\$ 2,185	\$ 12,000	\$ 14,185
2006	1,615	12,000	13,615
2007	1,045	12,000	13,045
Total	4,845	36,000	40,845
3 Year Average	\$ 1,615	\$ 12,000	\$ 13,615
RD 91-03	Interest	Principal	Total
2005	\$ 11,650	\$ 6,000	\$ 17,650
2006	11,350	6,000	17,350
2007	11,050	6,000	17,050
Total	34,050	18,000	52,050
3 Year Average	\$ 11,350	\$ 6,000	\$ 17,350
RD 91-05	Interest	Principal	Total
2005	\$ 3,600	\$ 3,000	\$ 6,600
2006	3,450	3,000	6,450
2007	3,300	3,000	6,300
Total	10,350	9,000	19,350
3 Year Average	\$ 3,450	\$ 3,000	\$ 6,450
RD 91-08	Interest	Principal	Total
2005	\$ 23,900	\$ 8,000	\$ 31,900
2006	23,500	8,000	31,500
2007	23,075	8,000	31,075
Total	70,475	24,000	94,475
3 Year Average	\$ 23,492	\$ 8,000	\$ 31,492
RD 91-10	Interest	Principal	Total
2005	\$ 64,189	\$ 18,500	\$ 82,689
2006	63,326	19,500	82,826
2007	62,426	20,500	82,926
Total	189,942	58,500	248,442
3 Year Average	\$ 63,314	\$ 19,500	\$ 82,814
KRWFC 2003A	Interest	Principal	Total
2005	\$ 13,328	\$ 9,000	\$ 22,328
2006	12,957	9,000	21,957
2007	12,566	10,000	22,566
Total	38,851	28,000	66,851
3 Year Average	\$ 12,950	\$ 9,333	\$ 22,284
Total 3 Year Avg. Interest	\$ 116,171		
Total 3 Year Avg. Principal	57,833		
Total Debt Payments	\$ 174,004		
1.2 Coverage	34,801		

**EAST LAUREL WATER DISTRICT
SCHEDULED DEBT SERVICE
2005, 2006, 2007**

	<u>RD 91-02</u> <u>INT.</u>	<u>RD 91-02</u> <u>PRINC.</u>	<u>RD 91-03</u> <u>INT.</u>	<u>RD 91-03</u> <u>PRINC.</u>	<u>RD 91-05</u> <u>INT.</u>	<u>RD 91-05</u> <u>PRINC.</u>	<u>RD 91-08</u> <u>INT.</u>	<u>RD 91-08</u> <u>PRINC.</u>	<u>RD 91-10</u> <u>INT.</u>	<u>RD 91-10</u> <u>PRINC.</u>	<u>KRWFC</u> <u>2003A</u> <u>INT.</u>	<u>KRWFC</u> <u>2003A</u> <u>PRINC.</u>	<u>TOTAL</u>
JAN. 05	1,235.00	12,000.00	5,900.00	6,000.00	1,837.50	3,000.00	12,050.00	8,000.00	32,286.70	18,500.00	6,756.63	9,000.00	
JUL. 05	950.00		5,750.00		1,762.50		11,850.00		31,882.50		6,571.23		
TOTAL 2005	<u>2,185.00</u>	<u>12,000.00</u>	<u>11,650.00</u>	<u>6,000.00</u>	<u>3,600.00</u>	<u>3,000.00</u>	<u>23,900.00</u>	<u>8,000.00</u>	<u>64,169.20</u>	<u>18,500.00</u>	<u>13,327.86</u>	<u>9,000.00</u>	175,332.06
JAN. 06	950.00	12,000.00	5,750.00	6,000.00	1,762.50	3,000.00	11,850.00	8,000.00	31,882.50	19,500.00	6,571.23	9,000.00	
JUL. 06	665.00		5,600.00		1,687.50		11,650.00		31,443.75		6,385.83		
TOTAL 2006	<u>1,615.00</u>	<u>12,000.00</u>	<u>11,350.00</u>	<u>6,000.00</u>	<u>3,450.00</u>	<u>3,000.00</u>	<u>23,500.00</u>	<u>8,000.00</u>	<u>63,326.25</u>	<u>19,500.00</u>	<u>12,957.06</u>	<u>9,000.00</u>	173,698.31
JAN. 07	665.00	12,000.00	5,600.00	6,000.00	1,687.50	3,000.00	11,650.00	9,000.00	31,443.75	20,500.00	6,385.83	10,000.00	
JUL. 07	380.00		5,450.00		1,612.50		11,425.00		30,982.50		6,179.83		
TOTAL 2007	<u>1,045.00</u>	<u>12,000.00</u>	<u>11,050.00</u>	<u>6,000.00</u>	<u>3,300.00</u>	<u>3,000.00</u>	<u>23,075.00</u>	<u>9,000.00</u>	<u>62,426.25</u>	<u>20,500.00</u>	<u>12,565.66</u>	<u>10,000.00</u>	173,961.91

**EAST LAUREL WATER DISTRICT
RURAL DEVELOPMENT LOANS
12/31/04**

<u>ORIGINAL ISSUE</u>	<u>RATE</u>	<u>BALANCE 12/31/04</u>	<u>RD #</u>
\$1,502,500	4.50%	\$1,435,500	91-10
250,000	4.75%	52,000	91-02
315,000	5.00%	236,000	91-03
110,000	5.00%	73,500	91-05
537,000	5.00%	482,000	91-08
		<u>2,279,000</u>	

KENTUCKY RURAL WATER FINANCE CORPORATION FLEXIBLE TERM FINANCE PROGRAM, SERIES 2003

Borrower: East Laurel Water District
 Dated Date: 03/25/03

Borrower Payment Schedule

Payment Date	Principal	Interest	Trustee Fees	Total	Fiscal Total
03/25/03					
07/01/03	0.00	5,212.13	250.00	5,462.13	5,462.13
01/01/04	8,000.00	6,921.43	0.00	14,921.43	
07/01/04	0.00	6,756.63	250.00	7,006.63	21,928.06
01/01/05	9,000.00	6,756.63	0.00	15,756.63	
07/01/05	0.00	6,571.23	250.00	6,821.23	22,577.86
01/01/06	9,000.00	6,571.23	0.00	15,571.23	
07/01/06	0.00	6,385.83	250.00	6,635.83	22,207.06
01/01/07	10,000.00	6,385.83	0.00	16,385.83	
07/01/07	0.00	6,179.83	250.00	6,429.83	22,815.66
01/01/08	10,000.00	6,179.83	0.00	16,179.83	
07/01/08	0.00	5,973.83	250.00	6,223.83	22,403.66
01/01/09	11,000.00	5,973.83	0.00	16,973.83	
07/01/09	0.00	5,747.23	250.00	5,997.23	22,971.06
01/01/10	11,000.00	5,747.23	0.00	16,747.23	
07/01/10	0.00	5,520.63	250.00	5,770.63	22,517.86
01/01/11	12,000.00	5,520.63	0.00	17,520.63	
07/01/11	0.00	5,273.43	250.00	5,523.43	23,044.06
01/01/12	13,000.00	5,273.43	0.00	18,273.43	
07/01/12	0.00	5,065.63	250.00	5,325.63	23,529.06
01/01/13	13,000.00	5,065.63	0.00	18,065.63	
07/01/13	0.00	4,737.83	250.00	4,987.83	22,993.46
01/01/14	14,000.00	4,737.83	0.00	18,737.83	
07/01/14	0.00	4,449.43	250.00	4,699.43	23,437.26
01/01/15	15,000.00	4,449.43	0.00	19,449.43	
07/01/15	0.00	4,140.43	250.00	4,390.43	23,839.86
01/01/16	15,000.00	4,140.43	0.00	19,140.43	
07/01/16	0.00	3,831.43	250.00	4,081.43	23,221.86
01/01/17	16,000.00	3,831.43	0.00	19,831.43	
07/01/17	0.00	3,501.83	250.00	3,751.83	23,583.26
01/01/18	16,000.00	3,501.83	0.00	19,501.83	
07/01/18	0.00	3,162.23	250.00	3,412.23	22,914.06
01/01/19	17,000.00	3,162.23	0.00	20,162.23	
07/01/19	0.00	2,790.78	250.00	3,040.78	23,203.01
01/01/20	18,000.00	2,790.78	0.00	20,790.78	
07/01/20	0.00	2,386.23	250.00	2,636.23	23,427.01
01/01/21	19,000.00	2,386.23	0.00	21,386.23	
07/01/21	0.00	1,959.20	250.00	2,209.20	23,595.43
01/01/22	19,000.00	1,959.20	0.00	20,959.20	
07/01/22	0.00	1,508.43	250.00	1,758.43	22,717.63
01/01/23	20,000.00	1,508.43	0.00	21,508.43	
07/01/23	0.00	1,033.93	250.00	1,283.93	22,792.36
01/01/24	21,000.00	1,033.93	0.00	22,033.93	
07/01/24	0.00	535.70	250.00	785.70	22,819.63
01/01/25	22,000.00	535.70	0.00	22,535.70	
Totals	318,000.00	187,044.00	5,500.00	510,544.00	

	Monthly Principal	Monthly Interest	Total Monthly Sinking Fund Payments
5/3-7/3	1,333.33	1,739.71	3,073.04
8/3-1/4	666.67	1,153.57	1,820.24
2/4-7/4	750.00	1,126.11	1,876.11
8/4-1/5	750.00	1,126.11	1,876.11
2/5-7/5	750.00	1,095.21	1,845.21
8/5-1/6	750.00	1,095.21	1,845.21
2/6-7/6	833.33	1,064.31	1,897.64
8/6-1/7	833.33	1,064.31	1,897.64
2/7-7/7	833.33	1,029.97	1,863.31
8/7-1/8	833.33	1,029.97	1,863.31
2/8-7/8	916.67	995.64	1,912.31
8/8-1/9	916.67	995.64	1,912.31
2/9-7/9	916.67	957.87	1,874.54
8/9-1/10	916.67	957.87	1,874.54
2/10-7/10	1,000.00	920.11	1,920.11
8/10-1/11	1,000.00	920.11	1,920.11
2/11-7/11	1,083.33	878.91	1,962.24
8/11-1/12	1,083.33	878.91	1,962.24
2/12-7/12	1,083.33	834.27	1,917.61
8/12-1/13	1,083.33	834.27	1,917.61
2/13-7/13	1,166.67	789.64	1,956.31
8/13-1/14	1,166.67	789.64	1,956.31
2/14-7/14	1,250.00	741.57	1,991.57
8/14-1/15	1,250.00	741.57	1,991.57
2/15-7/15	1,250.00	690.07	1,940.07
8/15-1/16	1,250.00	690.07	1,940.07
2/16-7/16	1,333.33	638.57	1,971.91
8/16-1/17	1,333.33	638.57	1,971.91
2/17-7/17	1,333.33	583.64	1,916.97
8/17-1/18	1,333.33	583.64	1,916.97
2/18-7/18	1,416.67	527.04	1,943.71
8/18-1/19	1,416.67	527.04	1,943.71
2/19-7/19	1,500.00	465.13	1,965.13
8/19-1/20	1,500.00	465.13	1,965.13
2/20-7/20	1,583.33	397.71	1,981.04
8/20-1/21	1,583.33	397.71	1,981.04
2/21-7/21	1,583.33	326.53	1,909.87
8/21-1/22	1,583.33	326.53	1,909.87
2/22-7/22	1,666.67	251.41	1,918.07
8/22-1/23	1,666.67	251.41	1,918.07
2/23-7/23	1,750.00	172.32	1,922.32
8/23-1/24	1,750.00	172.32	1,922.32
2/24-7/24	1,833.33	89.28	1,922.62
8/24-1/25	1,833.33	89.28	1,922.62
Totals	318,000.00	187,044.00	505,044.00

THIS IS AMORTIZATION SCHEDULE FOR EAST LAUREL'S LOAN FROM KRWFC. WE DO NOT HAVE SCHEDULES FOR EAST LAUREL'S RD. BONDS SHOWING PRINCIPAL & INTEREST. WE ONLY HAVE THE ATTACHED SCHEDULES, WHICH SHOW ANNUAL PRINCIPAL THAT IS DUE. WE HAVE TO MANUALLY CALCULATE THE INTEREST THAT IS DUE ON BONDS.

32					
33					
34					
35					
36					
37					
38					
39					
40					
			Total	318,000	318,000

ACCOUNT 221, BONDS

RD

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	1,502,000	1,502,000		1,453,500	32,693	32,693
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	1,502,000	1,502,000		1,453,500	32,693	32,693

SCHEDULE OF BOND MATURITIES

Acc # 22405
Lump # 9-10

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1		01/01/01	4.5%	15,500	15,500	
2		01/01/02	"	16,500	16,500	
3		01/01/03	"	16,500	16,500	
4		01/01/04	"	18,000		18,000
5		01/01/05	"	18,500		18,500
6		01/01/06	"	19,500		19,500
7		01/01/07	"	20,500		20,500
8		01/01/08	"	21,000		21,000
9		01/01/09	"	22,500		22,500
10		01/01/10	"	23,000		23,000
11		01/01/11	"	24,500		24,500
12		01/01/12	"	25,000		25,000
13		01/01/13	"	26,500		26,500
14		01/01/14	"	27,500		27,500
15		01/01/15	"	29,000		29,000
16		01/01/16	"	30,000		30,000
17		01/01/17	"	31,500		31,500
18		01/01/18	"	33,000		33,000
19		01/01/19	"	34,500		34,500
20		01/01/20	"	36,000		36,000
21		01/01/21	"	37,500		37,500
22		01/01/22	"	39,500		39,500
23		01/01/23	"	41,000		41,000
24		01/01/24	"	43,000		43,000
25		01/01/25	"	45,000		45,000
26		01/01/26	"	47,000		47,000
27		01/01/27	"	49,000		49,000
28		01/01/28	"	51,500		51,500
29		01/01/29	"	53,500		53,500
30		01/01/30	"	56,000		56,000
31		01/01/31	"	58,500		58,500
32		01/01/32	"	61,000		61,000
33		01/01/33	"	64,000		64,000
34		01/01/34	"	66,500		66,500
35		01/01/35	"	70,000		70,000
36		01/01/36	"	73,000		73,000
37		01/01/37	"	76,000		76,000
38		01/01/38	"	81,000		81,000
39						
40						
Total				1,502,000	48,500	1,453,500

1,435,500
1,417,000
1,397,500
1,379,000

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	250,000	250,000		64,000	1,520	1,520
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	250,000	250,000		64,000	1,520	1,520

SCHEDULE OF BOND MATURITIES

LOAN # 9-32

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1	1	01/01/71	4.75%	1,000	1,000	
2	2	01/01/72	"	1,000	1,000	
3	3	01/01/73	"	1,000	1,000	
4	4	01/01/74	"	1,000	1,000	
5	5	01/01/75	"	1,000	1,000	
6	6-7	01/01/76	"	2,000	2,000	
7	8-9	01/01/77	"	2,000	2,000	
8	10-11	01/01/78	"	2,000	2,000	
9	12-13	01/01/79	"	2,000	2,000	
10	14-15	01/01/80	"	2,000	2,000	
11	16-18	01/01/81	"	3,000	3,000	
12	19	01/01/82	"	4,000	4,000	
13	20	01/01/83	"	4,000	4,000	
14	21	01/01/84	"	4,000	4,000	
15	22	01/01/85	"	4,000	4,000	
16	23	01/01/86	"	4,000	4,000	
17	24-25	01/01/87	"	8,000	8,000	
18	26-27	01/01/88	"	8,000	8,000	
19	28-29	01/01/89	"	8,000	8,000	
20	30-31	01/01/90	"	8,000	8,000	
21	32-33	01/01/91	"	8,000	8,000	
22	34-35	01/01/92	"	8,000	8,000	
23	36-37	01/01/93	"	8,000	8,000	
24	38-39	01/01/94	"	8,000	8,000	
25	40-41	01/01/95	"	8,000	8,000	
26	42-43	01/01/96	"	8,000	8,000	
27	44-45	01/01/97	"	8,000	8,000	
28	46-47	01/01/98	"	8,000	8,000	
29	48-49	01/01/99	"	8,000	8,000	
30	50-51	01/01/00	"	8,000	8,000	
31	52-54	01/01/01	"	12,000	12,000	
32	55-57	01/01/02	"	12,000	12,000	
33	58-60	01/01/03	"	12,000	12,000	
34	61-63	01/01/04	"	12,000		12,000
35	64-66	01/01/05	"	12,000		12,000
36	67-69	01/01/06	"	12,000		12,000
37	70-72	01/01/07	"	12,000		12,000
38	73-76	01/01/08	"	16,000		16,000
39						
40						
Total				250,000	186,000	64,000

221-01
52,000
40,000
28,000
16,000
0

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	315,000	315,000		242,000	6,050	6,050
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	315,000	315,000		242,000	6,050	6,050

SCHEDULE OF BOND MATURITIES

LOAN # 91-03

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1	1-2	01/01/80	5%	2,000	2,000	
2	3-4	01/01/81	"	2,000	2,000	
3	5-6	01/01/82	"	2,000	2,000	
4	7-8	01/01/83	"	2,000	2,000	
5	9-10	01/01/84	"	2,000	2,000	
6	11-12	01/01/85	"	2,000	2,000	
7	13-14	01/01/86	"	2,000	2,000	
8	15-16	01/01/87	"	2,000	2,000	
9	17-18	01/01/88	"	2,000	2,000	
10	19-20	01/01/89	"	2,000	2,000	
11	21-22	01/01/90	"	2,000	2,000	
12	23-24	01/01/91	"	2,000	2,000	
13	25-26	01/01/92	"	2,000	2,000	
14	27-29	01/01/93	"	3,000	3,000	
15	30-32	01/01/94	"	3,000	3,000	
16	33-35	01/01/95	"	3,000	3,000	
17	36-39	01/01/96	"	4,000	4,000	
18	40-43	01/01/97	"	4,000	4,000	
19	44-48	01/01/98	"	5,000	5,000	
20	49-53	01/01/99	"	5,000	5,000	
21	54-58	01/01/00	"	5,000	5,000	
22	59-63	01/01/01	"	5,000	5,000	
23	64-68	01/01/02	"	5,000	5,000	
24	69-73	01/01/03	"	5,000	5,000	
25	74-79	01/01/04	"	6,000		6,000
26	80-85	01/01/05	"	6,000		6,000
27	86-91	01/01/06	"	6,000		6,000
28	92-97	01/01/07	"	6,000		6,000
29	98-103	01/01/08	"	6,000		6,000
30	104-123	01/01/09	"	20,000		20,000
31	124-144	01/01/10	"	21,000		21,000
32	145-165	01/01/11	"	21,000		21,000
33	166-187	01/01/12	"	22,000		22,000
34	188-210	01/01/13	"	23,000		23,000
35	211-234	01/01/14	"	24,000		24,000
36	235-260	01/01/15	"	26,000		26,000
37	261-287	01/01/16	"	27,000		27,000
38	288-315	01/01/17	"	28,000		28,000
39						
40						
Total				315,000	73,000	242,000

221-02

236,000
230,000
224,000
218,000
212,000

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	110,000	110,000		76,000	1,900	1,900
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	110,000	110,000		76,000	1,900	1,900

SCHEDULE OF BOND MATURITIES

LOAN # 9105

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1		01/01/83	5%	1,000	1,000	
2		01/01/84	"	1,000	1,000	
3		01/01/85	"	1,000	1,000	
4		01/01/86	"	1,000	1,000	
5		01/01/87	"	1,000	1,000	
6		01/01/88	"	1,000	1,000	
7		01/01/89	"	1,500	1,500	
8		01/01/90	"	1,500	1,500	
9		01/01/91	"	1,500	1,500	
10		01/01/92	"	1,500	1,500	
11		01/01/93	"	1,500	1,500	
12		01/01/94	"	1,500	1,500	
13		01/01/95	"	1,500	1,500	
14		01/01/96	"	2,000	2,000	
15		01/01/97	"	2,000	2,000	
16		01/01/98	"	2,000	2,000	
17		01/01/99	"	2,000	2,000	
18		01/01/00	"	2,000	2,000	
19		01/01/01	"	2,500	2,500	
20		01/01/02	"	2,500	2,500	
21		01/01/03	"	2,500	2,500	
22		01/01/04	"	2,500		2,500
23		01/01/05	"	3,000		3,000
24		01/01/06	"	3,000		3,000
25		01/01/07	"	3,000		3,000
26		01/01/08	"	3,000		3,000
27		01/01/09	"	3,500		3,500
28		01/01/10	"	3,500		3,500
29		01/01/11	"	3,500		3,500
30		01/01/12	"	4,000		4,000
31		01/01/13	"	4,000		4,000
32		01/01/14	"	4,500		4,500
33		01/01/15	"	4,500		4,500
34		01/01/16	"	5,000		5,000
35		01/01/17	"	5,000		5,000
36		01/01/18	"	5,500		5,500
37		01/01/19	"	5,500		5,500
38		01/01/20	"	6,000		6,000
39		01/01/21	"	7,000		7,000
40						
Total				110,000	34,000	76,000

221-01
 73,500 12-31-1
 70,500
 67,500
 64,500
 61,500
 58,000

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	537,000	537,000		489,000	12,225	12,225
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	537,000	537,000		489,000	12,225	12,225

SCHEDULE OF BOND MATURITIES

LOAN # 91-08

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1		01/01/96	5%	5,000	5,000	
2		01/01/97	"	5,000	5,000	
3		01/01/98	"	6,000	6,000	
4		01/01/99	"	6,000	6,000	
5		01/01/00	"	6,000	6,000	
6		01/01/01	"	6,000	6,000	
7		01/01/02	"	7,000	7,000	
8		01/01/03	"	7,000	7,000	
9		01/01/04	"	7,000		7,000
10		01/01/05	"	8,000		8,000
11		01/01/06	"	8,000		8,000
12		01/01/07	"	9,000		9,000
13		01/01/08	"	9,000		9,000
14		01/01/09	"	9,000		9,000
15		01/01/10	"	10,000		10,000
16		01/01/11	"	10,000		10,000
17		01/01/12	"	11,000		11,000
18		01/01/13	"	11,000		11,000
19		01/01/14	"	12,000		12,000
20		01/01/15	"	13,000		13,000
21		01/01/16	"	13,000		13,000
22		01/01/17	"	14,000		14,000
23		01/01/18	"	15,000		15,000
24		01/01/19	"	15,000		15,000
25		01/01/20	"	16,000		16,000
26		01/01/21	"	17,000		17,000
27		01/01/22	"	18,000		18,000
28		01/01/23	"	19,000		19,000
29		01/01/24	"	19,000		19,000
30		01/01/25	"	21,000		21,000
31		01/01/26	"	21,000		21,000
32		01/01/27	"	23,000		23,000
33		01/01/28	"	24,000		24,000
34		01/01/29	"	25,000		25,000
35		01/01/30	"	26,000		26,000
36		01/01/31	"	28,000		28,000
37		01/01/32	"	29,000		29,000
38		01/01/33	"	29,000		29,000
39						
40						
Total				537,000	48,000	489,000

221-04
 482,000 12-31
 474,000
 466,000
 457,000
 448,000

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	355,000	355,000		-0-	-0-	4,138
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	355,000	355,000		-0-	-0-	4,138

SCHEDULE OF BOND MATURITIES

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1		01/01/89	5.75%	2,000	2,000	
2		01/01/90	"	2,000	2,000	
3		01/01/91	"	2,000	2,000	
4		01/01/92	"	2,000	2,000	
5		01/01/93	"	2,000	2,000	
6		01/01/94	"	2,000	2,000	
7		01/01/95	"	3,000	3,000	
8		01/01/96	"	3,000	3,000	
9		01/01/97	"	3,000	3,000	
10		01/01/98	"	3,000	3,000	
11		01/01/99	"	4,000	4,000	
12		01/01/00	"	4,000	4,000	
13		01/01/01	"	4,000	4,000	
14		01/01/02	"	5,000	5,000	
15		01/01/03	"	5,000	314,000	
16		01/01/04	"	5,000		
17		01/01/05	"	6,000		
18		01/01/06	"	6,000		
19		01/01/07	"	7,000		
20		01/01/08	"	7,000		
21		01/01/09	"	8,000		
22		01/01/10	"	8,000		
23		01/01/11	"	9,000		
24		01/01/12	"	10,000		
25		01/01/13	"	10,000		
26		01/01/14	"	11,000		
27		01/01/15	"	12,000		
28		01/01/16	"	13,000		
29		01/01/17	"	14,000		
30		01/01/18	"	15,000		
31		01/01/19	"	16,000		
32		01/01/20	"	17,000		
33		01/01/21	"	19,000		
34		01/01/22	"	20,000		
35		01/01/23	"	22,000		
36		01/01/24	"	23,000		
37		01/01/25	"	25,000		
38		01/01/26	"	26,000		
39						
40						
Total				355,000	355,000	0

**EAST LAUREL WATER DISTRICT
KRWFC BOND PAYABLE**

ANNUAL PAYMENT SUMMARY:

<u>YEAR</u>	<u>PRINCIPAL</u>	<u>INTEREST</u>	<u>TOTAL</u>
2003	0.00	5,219.13	5,219.13
2004	8,000.00	13,678.06	21,678.06
2005	9,000.00	13,327.86	22,327.86
2006	9,000.00	12,957.06	21,957.06
2007	10,000.00	12,565.66	22,565.66
2008	10,000.00	12,153.66	22,153.66
2009	11,000.00	11,721.06	22,721.06
2010	11,000.00	11,267.86	22,267.86
2011	12,000.00	10,794.06	22,794.06
2012	13,000.00	10,279.06	23,279.06
2013	13,000.00	9,743.46	22,743.46
2014	14,000.00	9,187.26	23,187.26
2015	15,000.00	8,589.86	23,589.86
2016	15,000.00	7,971.86	22,971.86
2017	16,000.00	7,333.26	23,333.26
2018	16,000.00	6,664.06	22,664.06
2019	17,000.00	5,953.01	22,953.01
2020	18,000.00	5,177.01	23,177.01
2021	19,000.00	4,345.43	23,345.43
2022	19,000.00	3,467.63	22,467.63
2023	20,000.00	2,542.36	22,542.36
2024	21,000.00	1,569.63	22,569.63
2025	22,000.00	535.70	22,535.70
	<u>318,000.00</u>	<u>187,044.00</u>	<u>505,044.00</u>

EAST LAUREL WATER DISTRICT

BILLING ANALYSIS FOR YEAR ENDING DEC. 2003

5/8 INCH CONNECTIONS

TEST YEAR USAGE AND REVENUE

USAGE TABLE

	Bills	Gallons	2,000	2,000	2,000	4,000	10,000
First 2,000	14,412	11,718.2	11,718.2				
Next 2,000	16,560	50,558.0	33,120.0	17,438.0			
Next 2,000	11,842	58,623.2	23,684.0	23,684.0	11,255.2		
Next 4,000	8,444	63,665.9	16,888.0	16,888.0	16,888.0	13,001.9	
Over 10,000	3,489	61,766.2	6,978.0	6,978.0	6,978.0	13,956.0	26,876.2
Total	54,747	246,331.5	92,388.2	64,988.0	35,121.2	26,957.9	26,876.2

REVENUE TABLE

	Bills	Gallons	Rate	Revenue			
First 2,000	54,747	92,388.2	\$ 10.82	\$ 592,362.54			
Next 2,000		64,988.0	4.09	265,800.92			
Next 2,000		35,121.2	3.48	122,221.78			
Next 4,000		26,957.9	2.81	75,751.70			
Over 10,000		26,876.2	2.47	66,384.21			
Total	54,747	246,331.5		\$ 1,122,521.15			

EAST LAUREL WATER DISTRICT					
BILLING ANALYSIS FOR YEAR ENDING DEC. 2003					
1 INCH CONNECTIONS					
TEST YEAR USAGE AND REVENUE					
USAGE TABLE					
	Bills	Gallons	6,000	4,000	10,000
First 6,000	30	61.0	61.0		
Next 4,000	26	195.6	156.0	39.6	
Over 10,000	47	1,318.9	282.0	188.0	848.9
Total	103	1,575.5	499.0	227.6	848.9
REVENUE TABLE					
	Bills	Gallons	Rate	Revenue	
First 6,000	103	499.0	\$ 25.96	\$ 2,673.88	
Next 4,000		227.6	2.81	639.56	
Over 10,000		848.9	2.47	2,096.78	
Total	103	1,575.5		\$ 5,410.22	

EAST LAUREL WATER DISTRICT				
BILLING ANALYSIS FOR YEAR ENDING DEC. 2003				
2 INCH CONNECTIONS				
TEST YEAR USAGE AND REVENUE				
USAGE TABLE				
	Bills	Gallons	20,000	20,000
First 20,000	40	121.2	121.2	
Over 20,000	53	4,711.0	1,060.0	3,651.0
Total	93	4,832.2	1,181.2	3,651.0
REVENUE TABLE				
	Bills	Gallons	Rate	Revenue
First 20,000	93	1,181.2	\$ 61.90	\$ 5,756.70
Over 20,000		3,651.0	2.47	9,017.97
Total	93	4,832.2		\$ 14,774.67

EAST LAUREL WATER DISTRICT				
BILLING ANALYSIS FOR YEAR ENDING DEC. 2003				
3 INCH CONNECTIONS				
TEST YEAR USAGE AND REVENUE				
USAGE TABLE				
	Bills	Gallons	30,000	30,000
First 30,000	2	18.8	18.8	
Over 30,000	22	2,397.0	660.0	1,737.0
Total	24	2,415.8	678.8	1,737.0
REVENUE TABLE				
	Bills	Gallons	Rate	Revenue
First 30,000	24	678.8	\$ 86.60	\$ 2,078.40
Over 30,000		1,737.0	2.47	4,290.39
Total	24	2,415.8		\$ 6,368.79

SALES TO WHOLESALE				
City of Manchester (Hima Sibert Water District)				
	20,270,000	\$	1.60	\$ 32,432

EAST LAUREL WATER DISTRICT
London, Kentucky

REPORT OF AUDIT
Years Ended December 31, 2003 and 2002

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INDEPENDENT AUDITOR'S REPORT

February 17, 2004

East Laurel Water District
London, Kentucky

We have audited the accompanying balance sheets of East Laurel Water District as of December 31, 2003 and 2002, and the related statements of income, retained earnings and cash flows for the years then ended. These financial statements are the responsibility of the District's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits, as of and for the years ended December 31, 2003 and 2002, in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Laurel Water District as of December 31, 2003 and 2002, and the results of its operations and its cash flows for the years then ended, in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued our report on our consideration of East Laurel Water District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grants.

Cloyd & Associates, PSC

Certified Public Accountants

EAST LAUREL WATER DISTRICT
London, Kentucky

BALANCE SHEETS
December 31,

EQUITIES AND LIABILITIES

	<u>2003</u>	<u>2002</u>
EQUITIES		
Federal grants	\$2,825,600	\$2,825,600
Customer tap-on fees	1,304,489	1,249,049
Contributions in aid of construction	440,032	360,117
Contributions in aid of construction - other	34,504	34,504
Retained earnings (deficit)	<u>87,739</u>	<u>211,558</u>
Total equities	<u>4,692,364</u>	<u>4,680,828</u>
LONG-TERM DEBT (Note 4)		
Rural Development notes payable	2,279,000	2,583,000
KRWFC notes payable	<u>310,000</u>	<u>-</u>
Total long-term debt	<u>2,589,000</u>	<u>2,583,000</u>
CURRENT LIABILITIES		
Current maturities of long-term debt (Note 4)	53,500	50,500
Accounts payable	3,088	8,170
Accounts payable to associated companies (Note 5)	91,832	88,609
Customer deposits	6,553	5,635
Accrued interest	61,309	-
Accrued taxes	<u>2,810</u>	<u>2,874</u>
Total current liabilities	<u>219,091</u>	<u>155,788</u>
DEFERRED CREDITS		
Unamortized debt premium (Note 4)	<u>2,451</u>	<u>-</u>
TOTAL EQUITIES AND LIABILITIES	<u>\$7,502,906</u>	<u>\$7,419,616</u>

EAST LAUREL WATER DISTRICT
London, Kentucky

STATEMENTS OF REVENUES AND EXPENSES
Years Ended December 31,

	<u>2003</u>		<u>2002</u>	
	<u>Amount</u>	<u>Per 1,000 gallons</u>	<u>Amount</u>	<u>Per 1,000 gallons</u>
GALLONS OF WATER SOLD (in thousands)	<u>275,422</u>		<u>278,268</u>	
OPERATING REVENUES	<u>\$1,217,786</u>	<u>\$ 4.42</u>	<u>\$1,202,516</u>	<u>\$ 4.32</u>
OPERATING EXPENSES				
Purchased water	458,219	1.65	440,056	1.58
Purchased power	22,306	.08	17,062	.06
Materials and supplies	185,118	.67	196,059	.71
Contractual services - other	326,622	1.19	284,588	1.02
Bad debt expense	6,331	.02	7,947	.03
Legal and accounting	11,587	.04	13,167	.05
Engineering	2,510	.01	3,595	.01
Insurance – general liability	7,648	.03	8,678	.03
Commissioners' fees	6,930	.03	7,560	.03
Taxes other than income	2,092	.01	2,175	.01
Depreciation	189,211	.69	184,147	.66
Amortization	11,281	.04	10,850	.04
Miscellaneous	<u>1,475</u>	<u>.01</u>	<u>1,159</u>	<u>-</u>
Total operating expenses	<u>1,231,330</u>	<u>4.47</u>	<u>1,177,043</u>	<u>4.23</u>
NET OPERATING REVENUES	<u>(13,544)</u>	<u>(.05)</u>	<u>25,473</u>	<u>.09</u>
OTHER INCOME (EXPENSE)				
Interest income	14,961	.05	18,180	.07
Interest on long-term debt	<u>(125,236)</u>	<u>(.45)</u>	<u>(129,517)</u>	<u>(.47)</u>
Total other income (expense)	<u>(110,275)</u>	<u>(.40)</u>	<u>(111,337)</u>	<u>(.40)</u>
DEFICIENCY OF REVENUES OVER EXPENSES	<u>\$ (123,819)</u>	<u>\$ (.45)</u>	<u>\$ (85,864)</u>	<u>\$ (.31)</u>

The accompanying notes are an integral part of these financial statements.

EAST LAUREL WATER DISTRICT
London, Kentucky

STATEMENTS OF RETAINED EARNINGS
Years Ended December 31,

	<u>2003</u>	<u>2002</u>
RETAINED EARNINGS, Beginning of year	\$ 211,558	\$ 297,422
Deficiency of revenues over expenses	<u>(123,819)</u>	<u>(85,864)</u>
RETAINED EARNINGS, End of year	<u>\$ 87,739</u>	<u>\$ 211,558</u>

The accompanying notes are an integral part of these financial statements.

EAST LAUREL WATER DISTRICT
London, Kentucky

STATEMENTS OF CASH FLOWS
Years Ended December 31,

	<u>2003</u>	<u>2002</u>
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ (123,819)	\$ (85,864)
Noncash (income) expenses included in net income:		
Depreciation	189,211	184,147
Amortization	11,281	10,850
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	22,024	(679)
(Increase) decrease in other current assets	(329)	689
(Increase) decrease in unamortized costs of debt	(11,201)	-
Increase (decrease) in accounts payable	(5,082)	6,651
Increase (decrease) in accounts payable to associated companies	3,223	14,911
Increase (decrease) in customer deposits	917	997
Increase (decrease) in accrued interest	61,309	-
Increase (decrease) in accrued taxes	(65)	369
Increase (decrease) in unamortized debt premium	<u>2,579</u>	<u>-</u>
Net cash provided by (used in) operating activities	<u>150,048</u>	<u>132,071</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of property, plant and equipment	<u>(154,752)</u>	<u>(234,886)</u>
Net cash provided by (used in) investing activities	<u>(154,752)</u>	<u>(234,886)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Contributions in aid of construction	79,915	133,939
Proceeds from customer tap-on fees	55,440	58,300
Proceeds from bonds	318,000	-
Principal payments on long-term debt	<u>(309,000)</u>	<u>(48,000)</u>
Net cash provided by (used in) financing activities	<u>144,355</u>	<u>144,239</u>
Net change in cash and temporary cash investments	139,651	41,424
Cash and temporary cash investments:		
Beginning	<u>771,077</u>	<u>729,653</u>
Ending	<u>910,728</u>	<u>\$ 771,077</u>
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Cash payments for:		
Interest	<u>125,236</u>	<u>129,517</u>

The accompanying notes are an integral part of these financial statements.

EAST LAUREL WATER DISTRICT
London, Kentucky

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2003

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies that affect the more significant elements of the financial statements of East Laurel Water District are summarized below:

METHOD OF ACCOUNTING: The District maintains its books on a combination of cash and accrual basis accounting. Revenues are recorded on an accrual basis but expenses are recorded on a cash basis. However, financial statements are prepared on the accrual basis to properly reflect financial position and results of operations. The District complies with all GASB and FASB pronouncements. However, in the event there is a conflict, GASB pronouncements are overriding.

PLANT, EQUIPMENT AND DEPRECIATION: Plant and equipment are recorded at cost. Major additions to plant are constructed by independent contractors. All other plant additions are constructed by Wood Creek Water District. Depreciation of plant and equipment is computed by the straight-line method using the following annual rates:

Intangible plant	2.5%
Structures and improvements	2.0%
Pumping and water treatment equipment	4.0%
Transmission and distribution mains	2.0%
Meters, hydrants and services	5.0%
Laboratory & communication equipment	10.0% - 20.0%

SERVICES PROVIDED BY WOOD CREEK WATER DISTRICT: Wood Creek Water District provides maintenance, construction and office services to East Laurel Water District. The actual costs of maintenance and construction services are billed to the District by Wood Creek monthly and are accumulated in the appropriate plant or expense accounts.

ACCOUNTS RECEIVABLE: Accounts receivable are carried net of the provision for doubtful accounts. The provision for doubtful accounts is based on historical bad debt experience and is estimated to be approximately 5% of the balance of accounts receivable. The aged trial balance of accounts receivable is reviewed at the end of each year and the accounts that are deemed uncollectible are written off by management.

CONCENTRATIONS OF CREDIT: The District places its temporary cash investments with local financial institutions. The financial institutions pledge collateral securities, which are in addition to FDIC coverage. At December 31, 2003 and 2002, the District had no potential concentration of credit risk, since the FDIC coverage and pledged collateral exceeded the deposits.

NOTE 2 - CASH AND TEMPORARY CASH INVESTMENTS

The District's policy is to place its temporary cash investments in interest bearing checking accounts, savings accounts and certificates of deposit (see Note 1).

The required reserve account balance for the retirement of bonded debt at December 31, 2003 and 2002

EAST LAUREL WATER DISTRICT
London, Kentucky

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2003

NOTE 2 - CASH AND TEMPORARY CASH INVESTMENTS - (CONTINUED)

was \$108,737 and \$123,000, respectively. The District had \$551,911 and \$547,982 in certificates of deposit at December 31, 2003 and December 31, 2002, respectively.

NOTE 3 - PLANT, EQUIPMENT AND DEPRECIATION

A summary of utility plant and accumulated depreciation at December 31 is as follows:

	<u>2003</u>	<u>2002</u>
Utility Plant:		
Organization	\$ 6,608	\$ 6,608
Land and land rights	26,161	26,161
Structures and improvements	21,125	21,125
Pumping equipment	179,037	179,037
Distribution reservoirs and standpipes	855,566	852,406
Transmission and distribution mains	5,763,301	5,675,140
Services	658,848	626,889
Meters and meter installations	574,303	549,540
Hydrants	24,211	23,840
Laboratory & communication equipment	<u>7,604</u>	<u>1,264</u>
	<u>\$8,116,764</u>	<u>\$7,962,011</u>
Accumulated Depreciation:		
Organization	\$ 5,382	\$ 5,217
Structures and improvements	11,354	10,931
Pumping equipment	63,837	57,061
Distribution reservoirs and standpipes	90,953	73,874
Transmission and distribution mains	1,278,072	1,163,690
Services	329,266	302,354
Meters and meter installations	305,650	283,338
Hydrants	12,747	11,902
Communication equipment	<u>1,581</u>	<u>1,264</u>
	<u>\$2,098,842</u>	<u>\$1,909,631</u>

Depreciation expense for the years ended December 31, 2003 and 2002 is \$189,211 and \$184,147, respectively.

NOTE 4 - LONG-TERM DEBT

On March 26, 2003 the District refunded the 1986 bond issue, the original amount of which was \$355,000. The 1986 bond issue's stipulated interest rate was 5.75% per annum. The amount required to refund the issue on March 26, 2003 was \$313,173. The face amount of the new bond issue is \$318,000. The new bonds were issued with the Kentucky Rural Water Finance Corporation under their Flexible Term Finance Program. Under the Flexible Term Finance Program the interest rates are 4.12% per annum through 2017. From 2018 through 2025, the rates range from 4.25% to 4.75% per annum.

EAST LAUREL WATER DISTRICT
London, Kentucky

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2003

NOTE 4 - LONG-TERM DEBT - (CONTINUED)

The bonds were sold at a premium of \$2,580, which is being amortized over 20 years. The unamortized portion of the premium is reported as a Deferred Credit on the balance sheet. The cost associated with the new bond issue was \$10,879. The cost is being amortized over 20 years. The unamortized cost at December 31, 2003 is reported under the Deferred Debits section of the balance sheet.

The District's long-term debt consists of bond issues payable to Rural Development and Kentucky Rural Water Corporation. The bonds mature annually in varying series over the period 2003 to 2039.

	<u>Original Issue</u>	<u>Interest Rate</u>	<u>Outstanding 12-31-03</u>	<u>Current</u>	<u>Long-term</u>
<u>RD</u>	\$1,502,500	4.50%	\$1,453,500	\$ 18,000	\$1,435,500
	250,000	4.75%	64,000	12,000	52,000
	315,000	5.00%	242,000	6,000	236,000
	110,000	5.00%	76,000	2,500	73,500
	537,000	5.00%	<u>489,000</u>	<u>7,000</u>	<u>482,000</u>
			<u>2,324,500</u>	<u>45,500</u>	<u>2,279,000</u>
 <u>KRWFC</u>	 318,000	 4.12-4.75%	 <u>318,000</u>	 <u>8,000</u>	 <u>310,000</u>
			<u>\$2,642,500</u>	<u>\$ 53,500</u>	<u>\$2,589,000</u>

Bond principal payments are due annually on January 1. Interest payments are due semi-annually on January 1 and July 1. All bond issues are secured by a first mortgage lien on the District's utility system and by a pledge of its revenues.

As of December 31, 2003, annual maturities of long-term debt outstanding are as follows:

2004	\$ 53,500
2005	56,500
2006	58,500
2007	61,500
2008	63,000
Thereafter	<u>2,349,500</u>
	<u>\$2,642,500</u>

EAST LAUREL WATER DISTRICT
London, Kentucky

NOTES TO THE FINANCIAL STATEMENTS
Year Ended December 31, 2003

NOTE 5 - RELATED PARTY TRANSACTIONS

A summary of amounts paid to Wood Creek Water District for services provided to East Laurel Water District, at December 31 is as follows:

	<u>2003</u>	<u>2002</u>
Purchased water	\$ 464,508	\$ 440,056
Materials, labor and other	<u>634,161</u>	<u>406,416</u>
	<u>\$1,098,669</u>	<u>\$ 846,472</u>
Accounts payable to associated companies:		
	<u>\$ 91,832</u>	<u>\$ 88,609</u>
Wood Creek Water District	<u>\$ 91,832</u>	<u>\$ 88,609</u>

NOTE 6 - MISCELLANEOUS DEFERRED DEBITS

During 1994, East Laurel Water District transferred \$542,500 to Wood Creek Water District for a tap-on fee in accordance with the Water Purchase Contract which was revised June 1, 1994. The fee is being amortized over a 50-year period as instructed by the Public Service Commission.

February 17, 2004

East Laurel Water District
London, Kentucky

We have audited the financial statements of East Laurel Water District for the years ended December 31, 2003 and 2002, and have issued our report thereon dated February 17, 2004. We conducted our audits in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether East Laurel Water District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under Government Auditing Standards.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered East Laurel Water District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements, and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur, and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over the financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the use of the management of East Laurel Water District and Rural Development. This restriction is not intended to limit the distribution of this report.

Cloyd & Associates, PSC

Certified Public Accountants

**EAST LAUREL WATER DISTRICT
EXPENSES
12/31/04**

	<u>JAN</u>	<u>FEB</u>	<u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>
Purchased water	35,571.76	36,313.77	34,571.45	41,183.82	38,160.50	38,431.07
Purchased power	1,350.71	2,160.04	2,064.77	1,989.46	2,137.95	2,878.59
Materials & supplies	16,089.78	14,908.70	15,557.05	14,761.48	14,585.26	14,829.68
Contractual services-other	23,765.01	31,234.58	28,882.68	19,992.42	31,716.20	24,522.78
Engineering						
Legal & Accounting		5,600.00	4,300.00	1,066.00		
Insurance						
Commissioners fees	630.00	630.00	630.00	630.00	630.00	630.00
Taxes other than income						
Miscellaneous expenses	48.66			73.88		280.78
Interest on L/T debt	61,308.93					
	<u>138,764.85</u>	<u>90,847.09</u>	<u>86,005.95</u>	<u>79,697.06</u>	<u>87,229.91</u>	<u>81,572.90</u>

JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
45,174.81	43,793.45	48,700.88	41,147.17	37,386.99	40,683.78	481,119.45
2,195.85	1,603.97	2,347.23	2,443.11	2,267.63	2,061.45	25,500.76
16,606.76	15,001.64	16,147.60	17,161.91	15,701.93	15,993.76	187,345.55
24,188.61	30,239.07	28,819.15	25,890.95	35,282.79	28,083.70	332,617.94
450.00	710.00					1,160.00
						10,966.00
7,026.80						7,026.80
630.00	630.00	630.00	630.00	630.00	630.00	7,560.00
2,632.05						2,632.05
105.08	21.13		74.53			604.06
60,066.63						121,375.56
<u>159,076.59</u>	<u>91,999.26</u>	<u>96,644.86</u>	<u>87,347.67</u>	<u>91,269.34</u>	<u>87,452.69</u>	<u>1,177,908.17</u>

EAST LAUREL WATER DISTRICT
 EXPENSES
 12/31/04

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
Purchased water	35,571.76	36,313.77	34,571.45	41,183.82	38,160.50	38,431.07	45,174.81	43,793.45	48,700.88	41,147.17	37,386.99	40,683.78	481,119.45
Purchased power	1,350.71	2,160.04	2,064.77	1,989.46	2,137.95	2,878.59	2,195.85	1,603.97	2,347.23	2,443.11	2,267.63	2,031.45	25,500.76
Materials & supplies	16,089.78	14,908.70	15,557.05	14,761.48	14,586.26	14,829.68	16,606.76	15,001.64	16,147.60	17,161.91	15,701.93	15,993.76	187,345.55
Contractual services-other	23,765.01	31,234.58	28,882.68	19,992.42	31,716.20	24,522.78	24,188.61	30,239.07	28,819.15	25,890.95	35,282.79	28,083.70	332,617.94
Engineering		5,600.00	4,300.00	1,066.00			450.00	710.00					1,160.00
Legal & Accounting							7,026.80						7,026.80
Insurance	630.00	630.00	630.00	630.00	630.00	630.00	630.00	630.00	630.00	630.00	630.00	630.00	7,560.00
Commissioners fees							2,632.05						2,632.05
Taxes other than income	48.66			73.88		280.78	105.08	21.13		74.53			604.06
Miscellaneous expenses	61,308.93						60,066.63						121,375.56
Interest on L/T debt	138,764.85	90,847.09	86,005.95	79,697.06	87,229.91	81,572.90	159,076.59	91,999.26	96,644.86	87,347.67	91,289.34	87,462.69	1,177,908.17



EAST LAUREL WATER DISTRICT			
WATER PURCHASED AND SOLD			
Purchased		371,361,000	
Retail Sales		255,152,000	0.6871
Wholesale		20,270,000	0.0546
Flushing and Other		40,978,000	0.1103
Loss		54,961,000	0.1480

EAST LAUREL WATER DISTRICT

INCH MILE RATIO

Size	Total System			Jointly Used		
	Feet	Miles	Inch Miles	Feet	Miles	Inch Miles
16	42,273	8.01	128.10	35,640	6.75	-
8	1,292	0.24	1.96	-	0.00	-
6	75,945	14.38	86.30	30,096	5.70	34.20
4	148,037	28.04	112.15	5,808	1.10	-
3	41,945	7.94	23.83	-	-	-
2	29,969	5.68	11.35	-	-	-
	339,461	64.29	363.69	71,544	13.55	34.20
Inch Mile Ratio		0.0940				

EAST LAUREL WATER DISTRICT				
ALLOCATION FACTORS				
Wood Creek Water Production Factor				
Plant Use and Line Loss and Other	0.2583			
Water Production Factor	1			1.3482
	1 - .2583			
Jointly Used Pipe / Total Pipe	34.20	/	363.69	0.0940
Wholesale Water Production Factor				
Plant and System Use + Line Loss x Jointly Used Lines	0.2583	x	0.0940	0.0243
Wholesale Water Production Factor	1			1.0249
	1 - .0243			
Wholesale Production Allocation Factor	1.0249 * 20,270,000			0.0559
	1.3482 * 275,422,000			
Transmission Factor	20,270,000			0.0018
	275,422,000	*	0.0243	
Commodity Factor	20,270,000			0.0736
	275,422,000			

EAST LAUREL WATER DISTRICT				
ALLOCATION OF DEPRECIATION				
	Total	Commodity	Demand	Customer
Structures and Improvements	\$ 11,354		\$ 11,354	
Pumping Equipment	63,837		63,837	
Dist. Reservoirs and Standpipes	90,953		90,953	
Transmission and Distribution Mains	1,278,072		1,278,072	
Meters	329,266			329,266
Services	305,650		305,650	
Hydrants	12,747			12,747
Subtotal	2,091,879	-	1,749,866	342,013
Percentage			0.8365	0.1635
Organization	5,382		4,502	880
Other Plant	1,581		1,323	258
Total	\$ 2,098,842	\$ -	\$ 1,755,691	\$ 343,151
Percentage			0.8365	0.1635

EAST LAUREL WATER DISTRICT				
ALLOCATION OF PLANT				
	Total	Commodity	Demand	Customer
Structures and Improvements	\$ 21,125		\$ 21,125	
Pumping Equipment	179,037		179,037	
Dist. Reservoirs and Standpipes	855,566		855,566	
Transmission and Distribution Mains	5,763,301		5,763,301	
Land and Land Rights	26,161		26,161	
Meters	658,848			658,848
Services	574,303		574,303	
Hydrants	24,211			24,211
Subtotal	8,102,552	-	7,419,493	683,059
Percentage			0.9157	0.0843
Other Plant	7,604		6,963	641
Organization	6,608		6,051	557
Total	\$ 8,116,764	\$ -	\$ 7,432,507	\$ 684,257
Percentage			0.9157	0.0843

EAST LAUREL WATER DISTRICT				
ALLOCATION OF EXPENSES				
		Commodity	Demand	Customer
Purchased Water	\$ 861,558	\$ 861,558		
Purchased Power	22,306	22,306		
Materials and Supplies	177,278		9,576	167,702
Contractual Services	222,198		177,282	44,916
Bad Debt Expense	6,331			6,331
Engineering	2,510		2,510	
Insurance	7,648		7,648	
Commissioner's Fees	6,930			6,930
Depreciation	189,211		158,276	30,935
Subtotal	\$ 1,495,970	\$ 883,864	\$ 355,292	\$ 256,814
Percentage Less Commodity			0.5804	0.4196
Administrative and General				
Materials and Supplies	7,840		4,551	3,289
Accounting and Legal	11,587		6,726	4,861
Contractual Services	104,424		60,612	43,812
Taxes other than Income	2,092		1,214	878
Amortization	11,281		6,548	4,733
Miscellaneous	1,475		856	619
Total Operating and Maintenance	\$ 1,634,669	\$ 883,864	\$ 435,799	\$ 315,006
Principal and Interest	174,004		159,335	14,669
Coverage	34,801		31,867	2,934
Total Expenses	\$ 1,843,474	\$ 883,864	\$ 627,001	\$ 332,609

EAST LAUREL WATER DISTRICT

ALLOCATION OF EXPENSES TO WHOLESAL

	Total	Transmission and Distribution	Power and Purchased Water	Customer
Operating and Maintenance	\$ 1,445,458	\$ 277,523	\$ 883,864	\$ 284,071
Depreciation	\$ 189,211	\$ 158,276		\$ 30,935
Debt Expense	208,805	191,202		17,603
Total Expense	1,843,474	627,001	883,864	332,609
Other Revenue	(63,244)			(63,244)
Total Revenue Requirement	\$ 1,780,230	\$ 627,001	\$ 883,864	\$ 269,365
Wholesale Allocation Factors		0.0018	0.0736	0
Allocated to Wholesale	\$ 65,552	\$ 500	\$ 65,052	\$ -
Amount to Retail	\$ 1,714,678	\$ 626,501	\$ 818,812	\$ 269,365
Wholesale Rate	Gallons			
City of Manchester	20,270,000			
Total Expenses / Sales	3.23			
20,270,000 * \$3.23	\$ 65,552			

The current wholesale rate is \$1.60. In order to minimize the increase to the wholesale customer, East Laurel had not allocated depreciation and debt to Hima Sibert (City of Manchester) in this filing. We wish to reserve the right to allocate these expenses in future filings before the Commission.

EAST LAUREL WATER DISTRICT

ALLOCATION OF COSTS TO RETAIL CUSTOMERS

	Total	2,000	2,000	2,000	4,000	10,000
Actual Usage	255,154.4	94,974.2	64,988.0	35,121.2	26,957.9	33,113.1
Percentage		0.3722	0.2547	0.1376	0.1057	0.1298
		2.00	1.85	1.65	1.35	1.00
Weighted Sales	437,632.4	189,948.4	120,227.8	57,950.0	36,393.2	33,113.1
Percentage		0.4340	0.2747	0.1324	0.0832	0.0757
Commodity	\$ 818,812	\$ 304,780	\$ 208,552	\$ 112,707	\$ 86,510	\$ 106,263
Demand	626,501	271,924	172,114	82,959	52,099	47,404
Subtotal	\$ 1,445,313	\$ 576,704	\$ 380,666	\$ 195,666	\$ 138,609	\$ 153,666
Customer Chg. (54,967 bills)	269,365	269,365				
Total	\$ 1,714,678	\$ 846,070	\$ 380,666	\$ 195,666	\$ 138,609	\$ 153,666
Rate per 1,000		\$ 15.39	\$ 5.86	\$ 5.57	\$ 5.14	\$ 4.64
Current Rates		10.82	4.09	3.48	2.81	2.47
% Increase		42%	43%	60%	83%	88%
Requested Rates		15.40	5.86	5.57	4.95	4.34
% Increase		42%	43%	60%	76%	76%

Note: Cost based rates produce excessive revenue due to many of the large users not using the minimum usage for their meter size. Only 5/8 inch connection usage is shown for actual sales.

East Laurel requests that the Commission approve the requested rates in order to minimize the impact on the large users.



EAST LAUREL WATER DISTRICT

BILLING ANALYSIS FOR YEAR ENDING DEC. 2003

5/8 INCH CONNECTIONS

PROPOSED RATES

USAGE TABLE

	Bills	Gallons	2,000	2,000	2,000	4,000	10,000
First 2,000	14,412	11,718.2	11,718.2				
Next 2,000	16,560	50,558.0	33,120.0	17,438.0			
Next 2,000	11,842	58,623.2	23,684.0	23,684.0	11,255.2		
Next 4,000	8,444	63,665.9	16,888.0	16,888.0	16,888.0	13,001.9	
Over 10,000	3,489	61,766.2	6,978.0	6,978.0	6,978.0	13,956.0	26,876.2
Total	54,747	246,331.5	92,388.2	64,988.0	35,121.2	26,957.9	26,876.2

REVENUE TABLE

	Bills	Gallons	Rate	Revenue	Current	% Inc.
First 2,000	54,747	92,388.2	\$ 15.40	\$ 843,104	10.82	42%
Next 2,000		64,988.0	5.86	380,830	4.09	43%
Next 2,000		35,121.2	5.57	195,625	3.48	60%
Next 4,000		26,957.9	4.95	133,442	2.81	76%
Over 10,000		26,876.2	4.34	116,643	2.47	76%
Total	54,747	246,331.5		\$ 1,669,643		
1 Inch				8,752		
2 Inch				25,281		
3 Inch				11,015		
Other Income				63,244		
Wholesale Revenue				65,552		
Revenue Required				\$ 1,843,487		

EAST LAUREL WATER DISTRICT					
BILLING ANALYSIS FOR YEAR ENDING DEC. 2003					
1 INCH CONNECTIONS					
PROPOSED RATES					
USAGE TABLE					
	Bills	Gallons	6,000	4,000	10,000
First 6,000	30	61.0	61.0		
Next 4,000	26	195.6	156.0	39.6	
Over 10,000	47	1,318.9	282.0	188.0	848.9
Total	103	1,575.5	499.0	227.6	848.9
REVENUE TABLE					
	Bills	Gallons	Rate	Revenue	
First 6,000	103	499.0	\$ 38.26	\$ 3,940.78	
Next 4,000		227.6	4.95	1,126.62	
Over 10,000		848.9	4.34	3,684.23	
Total	103	1,575.5		\$ 8,751.63	

EAST LAUREL WATER DISTRICT				
BILLING ANALYSIS FOR YEAR ENDING DEC. 2003				
2 INCH CONNECTIONS				
PROPOSED RATES				
USAGE TABLE				
	Bills	Gallons	20,000	20,000
First 20,000	40	121.2	121.2	
Over 20,000	53	4,711.0	1,060.0	3,651.0
Total	93	4,832.2	1,181.2	3,651.0
REVENUE TABLE				
	Bills	Gallons	Rate	Revenue
First 20,000	93	1,181.2	\$ 101.46	\$ 9,436
Over 20,000		3,651.0	4.34	15,845
Total	93	4,832.2		\$ 25,281

EAST LAUREL WATER DISTRICT				
BILLING ANALYSIS FOR YEAR ENDING DEC. 2003				
3 INCH CONNECTIONS				
PROPOSED RATES				
USAGE TABLE				
	Bills	Gallons	30,000	30,000
First 30,000	2	18.8	18.8	
Over 30,000	22	2,397.0	660.0	1,737.0
Total	24	2,415.8	678.8	1,737.0
REVENUE TABLE				
	Bills	Gallons	Rate	Revenue
First 30,000	24	678.8	\$ 144.86	\$ 3,476.64
Over 30,000		1,737.0	4.34	7,538.58
Total	24	2,415.8		\$ 11,015.22

CLASS A & B

WATER DISTRICTS & ASSOCIATIONS

ANNUAL REPORT

OF

EAST LAUREL WATER DISTRICT

1670 DANIEL BOONE PARKWAY, EAST, LONDON, KENTUCKY 40741

TO THE

PUBLIC SERVICE COMMISSION

OF THE

COMMONWEALTH OF KENTUCKY

211 SOWER BOULEVARD
P.O. BOX 615
FRANKFORT, KENTUCKY 40602

FOR THE YEAR ENDED DECEMBER 31, 2003

Water Districts/Associations - Class A & B

Annual Report

Of

EAST LAUREL WATER DISTRICT
Exact Legal Name of Reporting Utility

1670 DANIEL BOONE PARKWAY, EAST

LONDON, KY 40741
(Address of Utility)

TO THE
PUBLIC SERVICE COMMISSION
OF THE
COMMONWEALTH OF KENTUCKY

FOR THE CALENDAR YEAR ENDED DECEMBER 31, 20 03

CHECKLIST FOR THE ANNUAL REPORT
 FOR CLASS A AND B WATER DISTRICTS AND WATER ASSOCIATIONS
 TO BE COMPLETED AND RETURNED WITH THE ANNUAL REPORT

Page No.	Account No.	Page No.	Yes	No	If No, Explain Why
4-6	The identification pages have been completed		X		
7	101-106	13	X		
7	108-110	15	X		
7	114-115	16	X		
7	123	17	X		
7	124-125	17	X		
7	126	17	X		
7	127	17	X		
7	141-144	18	X		
7	151-153	19	X		
7	162	19	X		
8	181	20	X		
8	182	21	X		
8	186	20	X		
9	214	12	X		
9	215.1	12	X		
9	215.2	12	X		
9	221	23		X	Difference of \$53,500 is current maturity of L-T debt A/C 242
9	221	23		X	Difference of \$53,500 is current maturity of L-T debt A/C 242
9	224	22	X		
9	232	24	X		

CHECKLIST FOR THE ANNUAL REPORT
FOR CLASS A AND B WATER DISTRICTS AND WATER ASSOCIATIONS
TO BE COMPLETED AND RETURNED WITH THE ANNUAL REPORT

Page No.	Account No.	Page No.	Yes	No	If No, Explain Why
9	233	24	<input checked="" type="checkbox"/>		
					Total 233
9	234	24	<input checked="" type="checkbox"/>		
					Total 234
9	236	25	<input checked="" type="checkbox"/>		
					Beginning and Ending Balance 236
9	237	25	<input checked="" type="checkbox"/>		
					Total 237 Cols b & e
9	242	26	<input checked="" type="checkbox"/>		
					Total 242
9	251	20	<input checked="" type="checkbox"/>		
					Total 251
9	252	21	<input checked="" type="checkbox"/>		
					Beginning and Ending Balance 252
10	400	27	<input checked="" type="checkbox"/>		
					Total Water Operating Revenue Col e
10	401	28	<input checked="" type="checkbox"/>		
					Total 601-675, Col c
10	408.1 & 408.2	25		<input checked="" type="checkbox"/>	
					Total Taxes Accrued 408.10-408.20
11	427	25	<input checked="" type="checkbox"/>		
					Total Interest Accrued Col c
11	Net Income Before Contributions	12	<input checked="" type="checkbox"/>		
					Balance Trans From Inc Col c
13	101	14	<input checked="" type="checkbox"/>		
					Total Water Plant Col f
14	The analysis of water utility plant accounts Cols c through k has been completed		<input checked="" type="checkbox"/>		
15	The analysis of accumulated depreciation and amortization by primary account has been completed.		<input checked="" type="checkbox"/>		
20	186.1	26	<input checked="" type="checkbox"/>		
					Total 186.1 Col c
22	Schedule of Long-Term Debt has been completed		<input checked="" type="checkbox"/>		
23	Schedule of Bond Maturities has been completed		<input checked="" type="checkbox"/>		
27	Taxes collected (example: school tax, sales tax, franchise tax) have been excluded from Revenue and Expenses		<input checked="" type="checkbox"/>		
27	The analysis of water operating revenue Cols c, d, and e has been completed.		<input checked="" type="checkbox"/>		

Difference of \$36,977 is a result of payroll, sales tax and school tax collected being offset against payroll sales tax and school tax accrued.

CHECKLIST FOR THE ANNUAL REPORT
 FOR CLASS A AND B WATER DISTRICTS AND WATER ASSOCIATIONS
 TO BE COMPLETED AND RETURNED WITH THE ANNUAL REPORT

Page No.	Account No.	Page No.	Yes	No	If No, Explain Why
28	The analysis of water utility expense Cols c through k has been completed.		X		
29	Schedule of Pumping and Purchased Water Statistics has been completed.		X		
29	Total Col (d) agrees with 30 Line 4, Total Produced and Purchased		X		
29	Total Col (e) agrees with 30 Line 13, Total Water Sales		X		
30	466 Total Gals agrees with 30 Line 11, Sales For Resale (466)		X		
Oath page has been completed.					
			X		

PUBLIC SERVICE COMMISSION OF KENTUCKY
PRINCIPAL PAYMENT AND INTEREST INFORMATION
FOR THE YEAR ENDING DECEMBER 31, 2003

1. Amount of Principal Payment during calendar year \$ 309,000
2. Is Principal Current? (Yes) x (No) _____
3. Is Interest Current? (Yes) x (No) _____
4. Has all long-term debt been approved by the Public Service Commission?
(Yes) x (No) _____ PSC Case No. _____

SERVICES PERFORMED BY
INDEPENDENT CERTIFIED PUBLIC ACCOUNTANT ("CPA")

Are your financial statements examined by a Certified Public Accountant?

Yes x No _____

If yes, which service is performed?

Audit x

Compilation _____

Review _____

Please enclose a copy of the accountant's report with the annual report

Additional Requested Information

Utility Name EAST LAUREL WATER DISTRICT

Contact Person EULA DALTON

Contact Person's E-Mail Address _____

Utility's Web Address _____

Please complete the above information, if it is available.

If there are multiple staff who may be contacts please include their names and e-mail addresses also.

Paul Napier, Supt.
e-mail: pnapier@gte.net

Donta Evans, Supt.

Additional Information Required By Commission Orders

Provide any special information required by prior Commission orders, as well as any narrative explanations necessary to fully explain the data. Examples of the types of special information that may be required by Commission orders include surcharge amounts collected, refunds issued, and unusual debt repayments.

Case #	Date Of Order	Item/Explanation
		NONE

Attach additional sheets if more room is required

MAJOR WATER PROJECTS

Instructions: Provide details about each major water project which is planned but has not yet been submitted for approval to the Public Service Commission. For the limited purpose of this report, a "Major Project" is defined as one which is not in the ordinary course of business, and which will increase your current utility plant by at least 20%.

Brief Project Description (improvement, replacement, building construction, expansion. If expansion, provide the estimated number of new customers):

NONE

Projected Costs and Funding Sources/Amounts:

Approval Status: (Application for financial assistance filed, but not approved; or application approved, but have not advertised for construction bids)

Location: (community, area or nearby roads)

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HISTORY

1. Exact name of utility making this report. (Use the words "The", "Company" or "Incorporated" only when a part of the corporate name.) _____
EAST LAUREL WATER DISTRICT

2. Give the location, street and number, and TELEPHONE NUMBER of the principal office in Kentucky. 1670 DANIEL BOONE PARKWAY
LONDON, KY 40741
Telephone Number: (606) 878-9420

3. Give name, title, address and TELEPHONE NUMBER of the officer to whom correspondence concerning this report should be addressed. _____
Douglas Day
1670 Daniel Boone Parkway
London, Ky. 40741
(606) 878-9420

4. Date of organization. November 23, 1965

5. If a consolidated or merged entity, name all previously separate entities.
N/A

6. Date for each consolidation and each merger. N/A

7. State whether respondent is a water district or association. _____

Incorporated pursuant to K.R.S. Chapter 74

8. Name all operating departments other than water. N/A

9. Name of counties in which you furnish water service. Laurel

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	UTILITY PLANT			
101-106	Utility Plant.....	13	\$ 7,962,011	\$ 8,116,764
108-110	Less: Accumulated Depreciation And Amortization.....	13,15-16	\$ 1,909,631	\$ 2,098,842
	Net Plant.....		\$ 6,052,380	\$ 6,017,922
114-115	Utility Plant Acquisition Adjustments (Net)	16	\$ _____	\$ _____
116	Other Utility Plant Adjustments.....		\$ _____	\$ _____
	Total Net Utility Plant.....		\$ 6,052,380	\$ 6,017,922
	OTHER PROPERTY AND INVESTMENTS			
121	Nonutility Property.....		\$ _____	\$ _____
122	Less: Accumulated Depreciation And Amortization.....		\$ _____	\$ _____
	Net Nonutility Property.....		\$ _____	\$ _____
123	Investment in Associated Companies...	17	\$ _____	\$ _____
124-125	Utility and Other Investments.....	17	\$ _____	\$ _____
126	Sinking Funds.....	17	\$ _____	\$ 13,499
127	Other Special Funds.....	17	\$ _____	\$ _____
	Total Other Property & Investments...		\$ _____	\$ 13,499
	CURRENT AND ACCRUED ASSETS			
131	Cash.....		\$ 223,095	\$ 345,318
132	Special Deposits.....		\$ _____	\$ _____
133	Other Special Deposits.....		\$ _____	\$ _____
134	Working Funds.....		\$ _____	\$ _____
135	Temporary Cash Investments.....		\$ 547,982	\$ 551,911
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts.....	18	\$ 136,211	\$ 114,187
145	Accounts Receivable From Associated Companies.....		\$ _____	\$ _____
146	Notes Receivable From Associated Companies.....		\$ _____	\$ _____
151-153	Materials and Supplies.....	19	\$ _____	\$ _____
161	Stores Expense.....		\$ _____	\$ _____
162	Prepayments.....	19	\$ 1,974	\$ 1,974
171	Accrued Interest and Dividends Receivable.....		\$ 1,549	\$ 1,879
172	Rents Receivable.....		\$ _____	\$ _____
173	Accrued Utility Revenues.....		\$ _____	\$ _____
174	Misc. Current and Accrued Assets.....		\$ _____	\$ _____
	Total Current and Accrued Assets		\$ 910,811	\$ 1,015,269

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS (CONT'D)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	DEFERRED DEBITS			
181	Unamortized Debt Discount & Expense..	20	\$ _____	\$ <u>10,641</u>
182	Extraordinary Property Losses.....	21	\$ _____	\$ _____
183	Preliminary Survey & Investigation Charges.....		\$ _____	\$ _____
184	Clearing Accounts.....		\$ _____	\$ _____
185	Temporary Facilities.....		\$ _____	\$ _____
186	Misc. Deferred Debits.....	20	\$ <u>456,425</u>	\$ <u>445,575</u>
187	Research & Development Expenditures..		\$ _____	\$ _____
	Total Deferred Debits.....		\$ <u>456,425</u>	\$ <u>456,216</u>
	TOTAL ASSETS AND OTHER DEBITS.....		\$ <u>7,419,616</u>	\$ <u>7,502,906</u>

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
EQUITY CAPITAL				
214	Appropriated Retained Earnings.....	12	\$ _____	\$ _____
215.1	Retained Earnings From Income Before Contributions.....	12	\$ 211,559	\$ 87,739
215.2	Donated Capital.....	12	\$ 4,469,270	\$ 4,604,625
	Total Equity Capital.....		\$ 4,680,829	\$ 4,692,364
LONG-TERM DEBT				
221	Bonds.....	23	\$ 2,583,000	\$ 2,589,000
222	Reacquired Bonds.....		\$ _____	\$ _____
223	Advances From Associated Companies...		\$ _____	\$ _____
224	Other Long-Term Debt.....	22	\$ _____	\$ _____
	Total Long-Term Debt.....		\$ 2,583,000	\$ 2,589,000
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable.....		\$ 8,169	\$ 3,088
232	Notes Payable.....	24	\$ _____	\$ _____
233	Accounts Payable To Associated Co. . .	24	\$ 88,609	\$ 91,832
234	Notes Payable To Associated Co.	24	\$ _____	\$ _____
235	Customer Deposits.....		\$ 5,635	\$ 6,553
236	Accrued Taxes.....	25	\$ 2,874	\$ 2,809
237	Accrued Interest.....	25	\$ _____	\$ 61,309
239	Matured Long-Term Debt.....		\$ _____	\$ _____
240	Matured Interest.....		\$ _____	\$ _____
241	Tax Collections Payable.....		\$ _____	\$ _____
242	Misc. Current & Accrued Liabilities..	26	\$ 50,500	\$ 53,500
	Total Current and Accrued Liabilities.....		\$ 155,787	\$ 219,091
DEFERRED CREDITS				
251	Unamortized Premium on Debt.....	20	\$ 0	\$ 2,451
252	Advances For Construction.....	21	\$ _____	\$ _____
253	Other Deferred Credits.....		\$ _____	\$ _____
	Total Deferred Credits.....		\$ 0	\$ 2,451
OPERATING RESERVES				
261	Property Insurance Reserve.....		\$ _____	\$ _____
262	Injuries and Damages Reserve.....		\$ _____	\$ _____
263	Pension and Benefits Reserve.....		\$ _____	\$ _____
265	Miscellaneous Operating Reserves.....		\$ _____	\$ _____
	Total Operating Reserves.....		\$ _____	\$ _____
	TOTAL EQUITY CAPITAL AND LIABILITIES.		\$ 7,419,616	\$ 7,502,906

COMPARATIVE OPERATING STATEMENT

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
UTILITY OPERATING INCOME				
400	Operating Revenues.....	27	\$ <u>1,202,516</u>	\$ <u>1,217,786</u>
401	Operating Expenses.....	28	\$ <u>979,871</u>	\$ <u>1,028,746</u>
403	Depreciation Expenses.....		\$ <u>184,147</u>	\$ <u>189,211</u>
406	Amortization of Utility Plant Acquisition Adjustment.....		\$ _____	\$ _____
407	Amortization Expense.....		\$ <u>10,850</u>	\$ <u>11,281</u>
408.10- 408.13	Taxes Other Than Income.....		\$ <u>2,175</u>	\$ <u>2,092</u>
	Utility Operating Expenses.....		\$ <u>1,177,043</u>	\$ <u>1,231,330</u>
	Utility Operating Income.....		\$ <u>25,473</u>	\$ <u>(13,544)</u>
413	Income From Utility Plant Leased To Others.....		\$ _____	\$ _____
414	Gains (Losses) From Disposition Of Utility Property.....		\$ _____	\$ _____
	Total Utility Operating Income.....		\$ <u>25,473</u>	\$ <u>(13,544)</u>
OTHER INCOME AND DEDUCTIONS				
415	Revenues From Merchandising, Jobbing And Contract Work.....		\$ _____	\$ _____
416	Costs and Expenses of Merchandising, Jobbing and Contract Work.....		\$ _____	\$ _____
419	Interest and Dividend Income.....		\$ <u>18,180</u>	\$ <u>14,961</u>
420	Allowance for Funds Used During Construction.....		\$ _____	\$ _____
421	Nonutility Income.....		\$ _____	\$ _____
426	Miscellaneous Nonutility Expenses....		\$ _____	\$ _____
	Total Other Income and Deductions....		\$ <u>18,180</u>	\$ <u>14,961</u>
TAXES APPLICABLE TO OTHER INCOME				
408.20	Taxes Other Than Income.....		\$ _____	\$ _____
	Total Taxes Applicable To Other Income.....		\$ _____	\$ _____

COMPARATIVE OPERATING STATEMENT (CONT'D)

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	PREVIOUS YEAR (d)	CURRENT YEAR (e)
	INTEREST EXPENSE			
427	Interest Expense.....		\$ 129,517	\$ 125,236
428	Amortization of Debt Discount & Exp..		\$ _____	\$ _____
429	Amortization of Premium on Debt.....		\$ _____	\$ _____
	Total Interest Expense.....		\$ 129,517	\$ 125,236
	EXTRAORDINARY ITEMS			
433	Extraordinary Income.....		\$ _____	\$ _____
434	Extraordinary Deductions.....		\$ _____	\$ _____
	Total Extraordinary Items.....		\$ _____	\$ _____
435	NET INCOME BEFORE CONTRIBUTIONS.....		\$ (85,864)	\$ (123,819)

STATEMENT OF RETAINED EARNINGS

ACCT. NO. (a)	(b)	AMOUNT (C)
214	Appropriated Retained Earnings (state balance and purpose of each appropriated amount at year end):	
	_____	\$ _____
	_____	\$ _____
	_____	\$ _____
	Total Appropriated Retained Earnings.....	\$ _____

215.1	Retained Earnings From Income Before Contributions:	
	Balance Beginning of Year.....	\$ 211,558
435	Balance Transferred from Net Income Before Contributions...	\$ (123,819)
	Other Changes to Account:	
436	Appropriations of Retained Earnings.....	\$ _____
439	Adjustments to Retained Earnings (requires Commission approval prior to use):	
	Credits (explain) _____	\$ _____
	Debits (explain) _____	\$ _____
	Balance End of Year.....	\$ 87,739

215.2	Donated Capital:																																									
	<table style="margin-left: auto; margin-right: auto; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"></th> <th style="text-align: center; border-bottom: 1px solid black;">Tapping Fees</th> <th style="text-align: center; border-bottom: 1px solid black;">Grants</th> <th style="text-align: center; border-bottom: 1px solid black;">Other</th> <th style="text-align: center; border-bottom: 1px solid black;">Total</th> </tr> </thead> <tbody> <tr> <td>Balance Beginning of Year.....</td> <td style="text-align: right;">1,249,049</td> <td style="text-align: right;">2,825,600</td> <td style="text-align: right;">394,621</td> <td style="text-align: right;">4,469,270</td> </tr> <tr> <td>Credits:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td style="text-align: center;">432</td> <td>Proceeds from capital contributions.....</td> <td style="text-align: right;">55,440</td> <td style="text-align: right;">-</td> <td style="text-align: right;">79,915</td> </tr> <tr> <td></td> <td>Other Credits (explain)</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td></td> <td>Debits:</td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td>(explain - Requires Commission Approval)</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> <td style="text-align: right;">-</td> </tr> <tr> <td></td> <td>Balance End of Year.....</td> <td style="text-align: right;">1,304,489</td> <td style="text-align: right;">2,825,600</td> <td style="text-align: right;">474,536</td> </tr> </tbody> </table>		Tapping Fees	Grants	Other	Total	Balance Beginning of Year.....	1,249,049	2,825,600	394,621	4,469,270	Credits:					432	Proceeds from capital contributions.....	55,440	-	79,915		Other Credits (explain)	-	-	-		Debits:					(explain - Requires Commission Approval)	-	-	-		Balance End of Year.....	1,304,489	2,825,600	474,536	
	Tapping Fees	Grants	Other	Total																																						
Balance Beginning of Year.....	1,249,049	2,825,600	394,621	4,469,270																																						
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	Other Credits (explain)	-	-	-																																						
	Debits:																																									
	(explain - Requires Commission Approval)	-	-	-																																						
	Balance End of Year.....	1,304,489	2,825,600	474,536																																						

UTILITY PLANT (ACCTS. 101 - 106)

ACCT. NO.	PLANT ACCOUNTS	TOTAL
101	Utility Plant In Service.....	\$ 8,116,764
102	Utility Plant Leased To Others.....	\$ _____
103	Property Held For Future Use.....	\$ _____
104	Utility Plant Purchased or Sold.....	\$ _____
105	Construction Work In Progress.....	\$ _____
106	Completed Construction Not Classified.....	\$ _____
	Total Utility Plant.....	\$ 8,116,764

ACCUMULATED DEPRECIATION (ACCT. 108)

DESCRIPTION	TOTAL
Balance First of Year.....	\$ 1,909,631
Credits During Year:	
Accruals Charged To Account 108.1.....	\$ 189,211
Accruals Charged To Account 108.2.....	\$ _____
Accruals Charged To Account 108.3.....	\$ _____
Accruals Charged To Other Accounts (specify)	\$ _____
_____	\$ _____
_____	\$ _____
Salvage Value Recovered On Plant Retired.....	\$ _____
Other Credits (specify)	\$ _____
_____	\$ _____
_____	\$ _____
Total Credits.....	\$ 189,211
Debits During Year:	
Book Cost of Plant Retired.....	\$ _____
Cost Of Removal.....	\$ _____
Other Debits (specify)	\$ _____
_____	\$ _____
_____	\$ _____
Total Debits.....	\$ _____
Balance End Of Year.....	\$ 2,098,842

WATER UTILITY PLANT ACCOUNTS

ACCT NO (a)	ACCOUNT NAME (b)	END OF PREVIOUS YEAR (c)	ADDI-TIONS (d)	RETIRE-MENTS (e)	END OF CURRENT YEAR (f)	.1 INTAN-GIBLE PLANT (g)	.2 SOURCE OF SUPPLY & PUMPING PLANT (h)	.3 WATER TREAT-MENT PLANT (i)	.4 TRANS & DISTRIB PLANT (j)	.5 GENERAL PLANT (k)
301	Organization.....	\$ 6,608		\$	\$ 6,608	\$ 6,608	\$XXXXXX	\$XXXXXX	\$XXXXXX	\$XXXXXX
302	Franchises.....					XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
303	Land and Land Rights.....	26,161			26,161	XXXXXX	1,308	XXXXXX	24,853	XXXXXX
304	Structures & Improvements.....	21,125			21,125	XXXXXX	8,035	XXXXXX	13,090	XXXXXX
305	Collecting and Impounding Reservoirs.....					XXXXXX		XXXXXX	XXXXXX	XXXXXX
306	Lake, River & Other Intakes.....					XXXXXX		XXXXXX	XXXXXX	XXXXXX
307	Wells and Springs.....					XXXXXX		XXXXXX	XXXXXX	XXXXXX
308	Infiltration Galleries and Tunnels.....					XXXXXX		XXXXXX	XXXXXX	XXXXXX
309	Supply Mains.....					XXXXXX		XXXXXX	XXXXXX	XXXXXX
310	Power Generation Equipment.....					XXXXXX		XXXXXX	XXXXXX	XXXXXX
311	Pumping Equipment.....	179,037			179,037	XXXXXX	179,037	XXXXXX	XXXXXX	XXXXXX
320	Water Treatment Equipment.....					XXXXXX		XXXXXX	XXXXXX	XXXXXX
330	Distribution Reservoirs and Standpipes.....	852,406	3,160		855,566	XXXXXX	XXXXXX	XXXXXX	855,566	XXXXXX
331	Transmission and Distribution Mains.....	5,675,140	88,161		5,763,301	XXXXXX	XXXXXX	XXXXXX	5,763,301	XXXXXX
333	Services.....	626,889	31,959		658,848	XXXXXX	XXXXXX	XXXXXX	658,848	XXXXXX
334	Meters & Meter Installations.....	549,540	24,763		574,303	XXXXXX	XXXXXX	XXXXXX	574,303	XXXXXX
335	Hydrants.....	23,840	371	0	24,211	XXXXXX	XXXXXX	XXXXXX	24,211	XXXXXX
336	Backflow Prevention Devices.....					XXXXXX	XXXXXX	XXXXXX		XXXXXX
339	Other Plant and Miscellaneous Equipment.....					XXXXXX	XXXXXX	XXXXXX		XXXXXX
340	Office Furniture and Equip.....					XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
341	Transportation Equipment.....					XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
342	Stores Equipment.....					XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
343	Tools, Shop and Garage Equip.....					XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
344	Laboratory Equipment.....					XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
345	Power Operated Equipment.....					XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
346	Communication Equipment.....					XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
347	Miscellaneous Equipment.....	1,264	6,340		7,604	XXXXXX	XXXXXX	XXXXXX	7,604	XXXXXX
348	Other Tangible Plant.....					XXXXXX	XXXXXX	XXXXXX		XXXXXX
	Total Water Plant.....	\$7,962,010	\$154,754	\$ 0	\$8,116,764	\$ 6,608	\$ 188,380	\$ 0	\$ 7,914,172	\$ 7,604

ANALYSIS OF ACCUMULATED DEPRECIATION AND AMORTIZATION BY PRIMARY ACCOUNT

ACCT. NO. (a)	ACCOUNT (b)	BALANCE BEGINNING OF YEAR (c)	CREDITS DURING THE YEAR			CHARGES DURING THE YEAR			BALANCE END OF YEAR (h)
			CHARGES TO DEP. EXP. (d)	OTHER CREDITS (e)	PLANT RETIREMENTS (f)	OTHER CHARGES (g)			
301	Organization.....	\$ 5,217	\$ 165					\$ 5,382	
302	Franchises.....								
303	Land and Land Rights.....								
304	Structures & Improvements...	\$ 10,931	\$ 423					\$ 11,354	
305	Collecting & Impounding Reservoirs.....								
306	Lake, River & Other Intakes.								
307	Wells and Springs.....								
308	Infiltration Galleries and Tunnels.....								
309	Supply Mains.....								
310	Power Generation Equipment..								
311	Pumping Equipment.....	\$ 57,061	\$ 6,776					\$ 63,837	
320	Water Treatment Equipment...								
330	Distribution Reservoirs and Standpipes.....	\$ 73,874	\$ 17,079					\$ 90,953	
331	Transmission & Distribution Mains.....	\$ 1,163,690	\$ 114,382					\$ 1,278,072	
333	Services.....	\$ 302,354	\$ 26,912					\$ 329,266	
334	Meters and Meter Installations.....	\$ 283,338	\$ 22,312					\$ 305,650	
335	Hydrants.....	\$ 11,902	\$ 845					\$ 12,747	
336	Backflow Prevention Devices.								
339	Other Plant & Miscellaneous Equipment.....								
340	Office Furniture & Equip.....								
341	Transportation Equipment....								
342	Stores Equipment.....								
343	Tools, Shop & Garage Equip..								
344	Laboratory Equipment.....								
345	Power Operated Equipment....								
346	Communication Equipment.....								
347	Miscellaneous Equipment.....								
348	Other Tangible Plant.....	\$ 1,264	\$ 317					\$ 1,581	
	TOTALS	\$ 1,909,631	\$ 189,211					\$ 2,098,842	

ACCUMULATED AMORTIZATION (ACCT. 110) N/A

DESCRIPTION	TOTAL
Balance First of Year.....	\$ _____
Credit During Year:	
Accruals Charged To Account 110.1.....	\$ _____
Accruals Charged To Account 110.2.....	\$ _____
Other Credits (specify)	\$ _____
_____	\$ _____
_____	\$ _____
Total Credits.....	\$ _____
Debits During Year:	
Book Cost of Plant Retired.....	\$ _____
Other Debits (specify)	\$ _____
_____	\$ _____
_____	\$ _____
Total Debits.....	\$ _____
Balance End Of Year.....	\$ _____

UTILITY PLANT ACQUISITION ADJUSTMENTS (ACCTS. 114 - 115) N/A

Report each acquisition adjustment and related accumulated amortization separately.
For any acquisition adjustment approved by the Commission, include the Order Number.

ACCOUNT NAME	TOTAL
Acquisition Adjustments (114)	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Total Plant Acquisition Adjustments.....	\$ _____
Accumulated Amortization (115)	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Total Accumulated Amortization.....	\$ _____
Net Acquisition Adjustments.....	\$ _____

INVESTMENTS AND SPECIAL FUNDS (ACCTS. 123- 127)

Report hereunder all investments and special funds carried in Accounts 123 through 127.

DESCRIPTION OF SECURITY OR SPECIAL FUND (a)	FACE OR PAR VALUE (b)	YEAR END BOOK COST (c)
INVESTMENT IN ASSOCIATED COMPANIES (ACCT. 123) _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ Total Investment in Associated Companies..... \$ _____		
UTILITY INVESTMENTS (ACCT. 124) _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ Total Utility Investments..... \$ _____		
OTHER INVESTMENTS (ACCT. 125) _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ Total Other Investments..... \$ _____		
SINKING FUNDS (ACCT. 126) Fifth Third Bank .. \$ 13,499 _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ Total Sinking Funds..... \$ 13,499		
OTHER SPECIAL FUNDS (ACCT. 127) _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ _____ .. \$ _____ Total Other Special Funds..... \$ _____		

ACCOUNTS AND NOTES RECEIVABLE - NET (ACCOUNTS 141 - 144)

Report hereunder all accounts and notes receivable included in Accounts 141, 142 and 144. Amounts included in Accounts 142 and 144 should be listed individually.

DESCRIPTION	TOTAL
ACCOUNTS & NOTES RECEIVABLE:	
Customer Accounts Receivable (Acct. 141).....	\$ <u>119,668</u>
Other Accounts Receivable (Acct. 142)	
_____ \$ _____	
_____ \$ _____	
_____ \$ _____	
_____ \$ _____	\$ _____
Notes Receivable (Acct. 144)	
_____ \$ _____	
_____ \$ _____	
_____ \$ _____	
_____ \$ _____	\$ _____
Total Accounts and Notes Receivable.....	\$ <u>119,668</u>
Accumulated Provision for Uncollectible Accounts (Acct. 143)	
Balance First Of Year.....	\$ <u>7,279</u>
Add: Provision For Uncollectibles For	
Current Year.....	\$ <u>6,318</u>
Collection of Accounts Previously	
Written Off.....	\$ <u>1,990</u>
Other.....	\$ _____
Total Additions.....	\$ <u>8,308</u>
Deduct:	
Accounts Written Off During Year.....	\$ <u>10,106</u>
Other.....	\$ _____
Total Deductions.....	\$ <u>10,106</u>
Balance End Of Year.....	\$ <u>5,481</u>
Total Accounts and Notes Receivable - Net.....	\$ <u>114,187</u>

MATERIALS AND SUPPLIES (151- 153) N/A

ACCOUNT NAME	TOTAL
Plant Materials and Supplies (Account 151)	\$ _____
Merchandise (Account 152)	\$ _____
Other Materials and Supplies (Account 153).....	\$ _____
Total Materials and Supplies.....	\$ _____

PREPAYMENTS (ACCT. 162)

DESCRIPTION	TOTAL
Prepaid Insurance.....	\$ <u>1,974</u>
Prepaid Rents.....	\$ _____
Prepaid Interest.....	\$ _____
Prepaid Taxes.....	\$ _____
Other Prepayments (specify)	
_____	\$ _____
_____	\$ _____
Total Prepayments.....	\$ <u>1,974</u>

MISCELLANEOUS DEFERRED DEBITS (ACCT. 186)

DESCRIPTION	TOTAL
Miscellaneous Deferred Debits (Acct. 186):	
Deferred Rate Case Expense (Acct. 186.1).....	\$ _____
Other Deferred Debits (Acct. 186.2).....	\$ <u>445,575</u>
Regulatory Assets (Acct. 186.3).....	\$ _____
Total Miscellaneous Deferred Debits.....	\$ <u>445,575</u>

UNAMORTIZED DEBT DISCOUNT AND EXPENSE AND PREMIUM ON DEBT (ACCTS. 181 & 251)

Report the net discount and expense or premium separately for each security issue.

DESCRIPTION	AMOUNT WRITTEN OFF DURING YEAR	YEAR END BALANCE
Unamortized Debt Discount and Expense (Acct. 181):		
<u>KRWFC Original \$11,201 over 20 years</u>	\$ <u>560</u>	\$ <u>10,641</u>
.....	\$ _____	\$ _____
.....	\$ _____	\$ _____
Total Unamortized Debt Discount and Expense.....	\$ <u>560</u>	\$ <u>10,641</u>
Unamortized Premium on Debt (Acct. 251):		
<u>KRWFC Original \$2,580 over 20 years</u>	\$ <u>129</u>	\$ <u>2,451</u>
.....	\$ _____	\$ _____
.....	\$ _____	\$ _____
Total Unamortized Premium on Debt.....	\$ <u>129</u>	\$ <u>2,451</u>

EXTRAORDINARY PROPERTY LOSSES (ACCT. 182) N/A

Report each item separately.

DESCRIPTION	TOTAL
Extraordinary Property Losses (Acct. 182):	
_____	\$ _____
_____	\$ _____
_____	\$ _____
_____	\$ _____
Total Extraordinary Property Losses.....	\$ _____

ADVANCES FOR CONSTRUCTION (ACCT. 252) N/A

DESCRIPTION	TOTAL
Balance first of year.....	\$ _____
Add credits during year.....	\$ _____
Deduct charges during year.....	\$ _____
Balance end of year.....	\$ _____

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	318,000	318,000		318,000	6,922	5,219
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	318,000	318,000		318,000	6,922	5,219

SCHEDULE OF BOND MATURITIES

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1		1/1/04	4.12%	8,000		8,000
2		1/1/05	"	9,000		9,000
3		1/1/06	"	9,000		9,000
4		1/1/07	"	10,000		10,000
5		1/1/08	"	10,000		10,000
6		1/1/09	"	11,000		11,000
7		1/1/10	"	11,000		11,000
8		1/1/11	"	12,000		12,000
9		1/1/12	"	13,000		13,000
10		1/1/13	"	13,000		13,000
11		1/1/14	"	14,000		14,000
12		1/1/15	"	15,000		15,000
13		1/1/16	"	15,000		15,000
14		1/1/17	"	16,000		16,000
15		1/1/18	4.25	16,000		16,000
16		1/1/19	4.37	17,000		17,000
17		1/1/20	4.50	18,000		18,000
18		1/1/21	"	19,000		19,000
19		1/1/22	4.75	19,000		19,000
20		1/1/23	"	20,000		20,000
21		1/1/24	"	21,000		21,000
22		1/1/25	"	22,000		22,000
23						
24						
25						
26						
27						
28						
29						
30						
31						
32						
33						
34						
35						
36						
37						
38						
39						
40						
Total				318,000		318,000

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	315,000	315,000		242,000	6,050	6,050
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	315,000	315,000		242,000	6,050	6,050

SCHEDULE OF BOND MATURITIES

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1	1-2	01/01/80	5%	2,000	2,000	
2	3-4	01/01/81	"	2,000	2,000	
3	5-6	01/01/82	"	2,000	2,000	
4	7-8	01/01/83	"	2,000	2,000	
5	9-10	01/01/84	"	2,000	2,000	
6	11-12	01/01/85	"	2,000	2,000	
7	13-14	01/01/86	"	2,000	2,000	
8	15-16	01/01/87	"	2,000	2,000	
9	17-18	01/01/88	"	2,000	2,000	
10	19-20	01/01/89	"	2,000	2,000	
11	21-22	01/01/90	"	2,000	2,000	
12	23-24	01/01/91	"	2,000	2,000	
13	25-26	01/01/92	"	2,000	2,000	
14	27-29	01/01/93	"	3,000	3,000	
15	30-32	01/01/94	"	3,000	3,000	
16	33-35	01/01/95	"	3,000	3,000	
17	36-39	01/01/96	"	4,000	4,000	
18	40-43	01/01/97	"	4,000	4,000	
19	44-48	01/01/98	"	5,000	5,000	
20	49-53	01/01/99	"	5,000	5,000	
21	54-58	01/01/00	"	5,000	5,000	
22	59-63	01/01/01	"	5,000	5,000	
23	64-68	01/01/02	"	5,000	5,000	
24	69-73	01/01/03	"	5,000	5,000	
25	74-79	01/01/04	"	6,000		6,000
26	80-85	01/01/05	"	6,000		6,000
27	86-91	01/01/06	"	6,000		6,000
28	92-97	01/01/07	"	6,000		6,000
29	98-103	01/01/08	"	6,000		6,000
30	104-123	01/01/09	"	20,000		20,000
31	124-144	01/01/10	"	21,000		21,000
32	145-165	01/01/11	"	21,000		21,000
33	166-187	01/01/12	"	22,000		22,000
34	188-210	01/01/13	"	23,000		23,000
35	211-234	01/01/14	"	24,000		24,000
36	235-260	01/01/15	"	26,000		26,000
37	261-287	01/01/16	"	27,000		27,000
38	288-315	01/01/17	"	28,000		28,000
39						
40						
Total				315,000	73,000	242,000

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	250,000	250,000		64,000	1,520	1,520
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	250,000	250,000		64,000	1,520	1,520

SCHEDULE OF BOND MATURITIES

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1	1	01/01/71	4.75%	1,000	1,000	
2	2	01/01/72	"	1,000	1,000	
3	3	01/01/73	"	1,000	1,000	
4	4	01/01/74	"	1,000	1,000	
5	5	01/01/75	"	1,000	1,000	
6	6-7	01/01/76	"	2,000	2,000	
7	8-9	01/01/77	"	2,000	2,000	
8	10-11	01/01/78	"	2,000	2,000	
9	12-13	01/01/79	"	2,000	2,000	
10	14-15	01/01/80	"	2,000	2,000	
11	16-18	01/01/81	"	3,000	3,000	
12	19	01/01/82	"	4,000	4,000	
13	20	01/01/83	"	4,000	4,000	
14	21	01/01/84	"	4,000	4,000	
15	22	01/01/85	"	4,000	4,000	
16	23	01/01/86	"	4,000	4,000	
17	24-25	01/01/87	"	8,000	8,000	
18	26-27	01/01/88	"	8,000	8,000	
19	28-29	01/01/89	"	8,000	8,000	
20	30-31	01/01/90	"	8,000	8,000	
21	32-33	01/01/91	"	8,000	8,000	
22	34-35	01/01/92	"	8,000	8,000	
23	36-37	01/01/93	"	8,000	8,000	
24	38-39	01/01/94	"	8,000	8,000	
25	40-41	01/01/95	"	8,000	8,000	
26	42-43	01/01/96	"	8,000	8,000	
27	44-45	01/01/97	"	8,000	8,000	
28	46-47	01/01/98	"	8,000	8,000	
29	48-49	01/01/99	"	8,000	8,000	
30	50-51	01/01/00	"	8,000	8,000	
31	52-54	01/01/01	"	12,000	12,000	
32	55-57	01/01/02	"	12,000	12,000	
33	58-60	01/01/03	"	12,000	12,000	
34	61-63	01/01/04	"	12,000		12,000
35	64-66	01/01/05	"	12,000		12,000
36	67-69	01/01/06	"	12,000		12,000
37	70-72	01/01/07	"	12,000		12,000
38	73-76	01/01/08	"	16,000		16,000
39						
40						
Total				250,000	186,000	64,000

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	355,000	355,000		-0-	-0-	4,138
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	355,000	355,000		-0-	-0-	4,138

SCHEDULE OF BOND MATURITIES

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1		01/01/89	5.75%	2,000	2,000	
2		01/01/90	"	2,000	2,000	
3		01/01/91	"	2,000	2,000	
4		01/01/02	"	2,000	2,000	
5		01/01/93	"	2,000	2,000	
6		01/01/94	"	2,000	2,000	
7		01/01/95	"	3,000	3,000	
8		01/01/96	"	3,000	3,000	
9		01/01/97	"	3,000	3,000	
10		01/01/98	"	3,000	3,000	
11		01/01/99	"	4,000	4,000	
12		01/01/00	"	4,000	4,000	
13		01/01/01	"	4,000	4,000	
14		01/01/02	"	5,000	5,000	
15		01/01/03	"	5,000	314,000	
16		01/01/04	"	5,000		
17		01/01/05	"	6,000		
18		01/01/06	"	6,000		
19		01/01/07	"	7,000		
20		01/01/08	"	7,000		
21		01/01/09	"	8,000		
22		01/01/10	"	8,000		
23		01/01/11	"	9,000		
24		01/01/12	"	10,000		
25		01/01/13	"	10,000		
26		01/01/14	"	11,000		
27		01/01/15	"	12,000		
28		01/01/16	"	13,000		
29		01/01/17	"	14,000		
30		01/01/18	"	15,000		
31		01/01/19	"	16,000		
32		01/01/20	"	17,000		
33		01/01/21	"	19,000		
34		01/01/22	"	20,000		
35		01/01/23	"	22,000		
36		01/01/24	"	23,000		
37		01/01/25	"	25,000		
38		01/01/26	"	26,000		
39						
40						
Total				355,000	355,000	0

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	537,000	537,000		489,000	12,225	12,225
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	537,000	537,000		489,000	12,225	12,225

SCHEDULE OF BOND MATURITIES

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1		01/01/96	5%	5,000	5,000	
2		01/01/97	"	5,000	5,000	
3		01/01/98	"	6,000	6,000	
4		01/01/99	"	6,000	6,000	
5		01/01/00	"	6,000	6,000	
6		01/01/01	"	6,000	6,000	
7		01/01/02	"	7,000	7,000	
8		01/01/03	"	7,000	7,000	
9		01/01/04	"	7,000		7,000
10		01/01/05	"	8,000		8,000
11		01/01/06	"	8,000		8,000
12		01/01/07	"	9,000		9,000
13		01/01/08	"	9,000		9,000
14		01/01/09	"	9,000		9,000
15		01/01/10	"	10,000		10,000
16		01/01/11	"	10,000		10,000
17		01/01/12	"	11,000		11,000
18		01/01/13	"	11,000		11,000
19		01/01/14	"	12,000		12,000
20		01/01/15	"	13,000		13,000
21		01/01/16	"	13,000		13,000
22		01/01/17	"	14,000		14,000
23		01/01/18	"	15,000		15,000
24		01/01/19	"	15,000		15,000
25		01/01/20	"	16,000		16,000
26		01/01/21	"	17,000		17,000
27		01/01/22	"	18,000		18,000
28		01/01/23	"	19,000		19,000
29		01/01/24	"	19,000		19,000
30		01/01/25	"	21,000		21,000
31		01/01/26	"	21,000		21,000
32		01/01/27	"	23,000		23,000
33		01/01/28	"	24,000		24,000
34		01/01/29	"	25,000		25,000
35		01/01/30	"	26,000		26,000
36		01/01/31	"	28,000		28,000
37		01/01/32	"	29,000		29,000
38		01/01/33	"	29,000		29,000
39						
40						
Total				537,000	48,000	489,000

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or for Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	110,000	110,000		76,000	1,900	1,900
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	110,000	110,000		76,000	1,900	1,900

SCHEDULE OF BOND MATURITIES

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1		01/01/83	5%	1,000	1,000	
2		01/01/84	"	1,000	1,000	
3		01/01/85	"	1,000	1,000	
4		01/01/86	"	1,000	1,000	
5		01/01/87	"	1,000	1,000	
6		01/01/88	"	1,000	1,000	
7		01/01/89	"	1,500	1,500	
8		01/01/90	"	1,500	1,500	
9		01/01/91	"	1,500	1,500	
10		01/01/92	"	1,500	1,500	
11		01/01/93	"	1,500	1,500	
12		01/01/94	"	1,500	1,500	
13		01/01/95	"	1,500	1,500	
14		01/01/96	"	2,000	2,000	
15		01/01/97	"	2,000	2,000	
16		01/01/98	"	2,000	2,000	
17		01/01/99	"	2,000	2,000	
18		01/01/00	"	2,000	2,000	
19		01/01/01	"	2,500	2,500	
20		01/01/02	"	2,500	2,500	
21		01/01/03	"	2,500	2,500	
22		01/01/04	"	2,500		2,500
23		01/01/05	"	3,000		3,000
24		01/01/06	"	3,000		3,000
25		01/01/07	"	3,000		3,000
26		01/01/08	"	3,000		3,000
27		01/01/09	"	3,500		3,500
28		01/01/10	"	3,500		3,500
29		01/01/11	"	3,500		3,500
30		01/01/12	"	4,000		4,000
31		01/01/13	"	4,000		4,000
32		01/01/14	"	4,500		4,500
33		01/01/15	"	4,500		4,500
34		01/01/16	"	5,000		5,000
35		01/01/17	"	5,000		5,000
36		01/01/18	"	5,500		5,500
37		01/01/19	"	5,500		5,500
38		01/01/20	"	6,000		6,000
39		01/01/21	"	7,000		7,000
			Total	110,000	34,000	76,000

ACCOUNT 221, BONDS

Line No.	Par Value Of Actual Issue (1)	Cash Realized On Actual Issue (2)	Par Value Of Amount Held by or For Respondent (3)	Actually Outstanding At Close Of Year (4)	Interest During Year	
					Accrued (5)	Actually Paid (6)
1	1,502,000	1,502,000		1,453,500	32,693	32,693
2						
3						
4						
5						
6						
7						
8						
9						
10						
Total	1,502,000	1,502,000		1,453,500	32,693	32,693

SCHEDULE OF BOND MATURITIES

(The total of column 12 must agree with the total of column 4)

Line No.	Bond Numbers (7)	Maturity Date (8)	Interest Rate (9)	Principal Amount (10)	Amount Paid (11)	Remaining Bonds Outstanding (12)
1		01/01/01	4.5%	15,500	15,500	
2		01/01/02	"	16,500	16,500	
3		01/01/03	"	16,500	16,500	
4		01/01/04	"	18,000		18,000
5		01/01/05	"	18,500		18,500
6		01/01/06	"	19,500		19,500
7		01/01/07	"	20,500		20,500
8		01/01/08	"	21,000		21,000
9		01/01/09	"	22,500		22,500
10		01/01/10	"	23,000		23,000
11		01/01/11	"	24,500		24,500
12		01/01/12	"	25,000		25,000
13		01/01/13	"	26,500		26,500
14		01/01/14	"	27,500		27,500
15		01/01/15	"	29,000		29,000
16		01/01/16	"	30,000		30,000
17		01/01/17	"	31,500		31,500
18		01/01/18	"	33,000		33,000
19		01/01/19	"	34,500		34,500
20		01/01/20	"	36,000		36,000
21		01/01/21	"	37,500		37,500
22		01/01/22	"	39,500		39,500
23		01/01/23	"	41,000		41,000
24		01/01/24	"	43,000		43,000
25		01/01/25	"	45,000		45,000
26		01/01/26	"	47,000		47,000
27		01/01/27	"	49,000		49,000
28		01/01/28	"	51,500		51,500
29		01/01/29	"	53,500		53,500
30		01/01/30	"	56,000		56,000
31		01/01/31	"	58,500		58,500
32		01/01/32	"	61,000		61,000
33		01/01/33	"	64,000		64,000
34		01/01/34	"	66,500		66,500
35		01/01/35	"	70,000		70,000
36		01/01/36	"	73,000		73,000
37		01/01/37	"	76,000		76,000
38		01/01/38	"	81,000		81,000
39						
40						
Total				1,502,000	48,500	1,453,500

ACCRUED TAXES (ACCOUNT 236)

ACCT. NO. (a)	DESCRIPTION (b)	TOTAL (c)
	Balance first of year.....	\$ 2,874
	Accruals Charged:	
408.10	Utility regulatory assessment fees.....	\$ 2,192
408.11	Property taxes.....	\$
408.12	Payroll taxes (employer's portion).....	\$ 1,232
408.13	Other taxes and licenses.....	\$ 35,645
408.20	Taxes other than income, other income and deductions...	\$
	Total taxes accrued.....	\$ 39,069
	Taxes paid during year:	
408.10	Utility regulatory assessment fees.....	\$ 2,192
408.11	Property taxes.....	\$
408.12	Payroll taxes (employer's portion).....	\$ 1,232
408.13	Other taxes and licenses.....	\$ 35,710
408.20	Taxes other than income, other income and deductions...	\$
	Total taxes paid.....	\$ 39,134
	Balance end of year.....	\$ 2,809

ACCRUED INTEREST (ACCOUNT 237)

DESCRIPTION OF DEBT (a)	BALANCE BEGINNING OF YEAR (b)	INTEREST ACCRUED DURING YEAR (c)	INTEREST PAID DURING YEAR (d)	BALANCE END OF YEAR (e)
Long-Term Debt:	\$	\$	\$	\$
_____	\$	\$	\$	\$
_____	\$	\$	\$	\$
Notes Payable:				
4.12% - 5.00% bonds	\$	\$ 125,088	\$ 63,779	\$ 61,309
_____	\$	\$	\$	\$
_____	\$	\$	\$	\$
Customer Deposits:				
Interest on customer deposits	\$	\$ 148	\$ 148	\$
_____	\$	\$	\$	\$
Other:	\$	\$	\$	\$
_____	\$	\$	\$	\$
_____	\$	\$	\$	\$
Total Acct. No. 237.....	\$	\$ 125,236	\$ 63,927	\$ 61,309

WATER OPERATING REVENUE

ACCT NO (a)	(b)	BEGINNING YEAR NO. CUSTOMERS (c)	YEAR END NUMBER CUSTOMERS (d)	AMOUNTS (e)
	Operating Revenues:			
460	Unmetered Water Revenue.....			\$ _____
461	Metered Water Revenue:			
461.1	Sales to Residential Customers.....	4,425	4,528	\$1,079,969
461.2	Sales to Commercial Customers.....	119	118	\$ 57,102
461.3	Sales to Industrial Customers.....			\$ _____
461.4	Sales to Public Authorities.....			\$ _____
461.5	Sales to Multiple Family Dwellings....			\$ _____
461.6	Sales through Bulk Loading Stations...			\$ _____
	Total Metered Sales.....	4,544	4,646	\$1,137,071
462	Fire Protection Revenue:			
462.1	Public Fire Protection.....			\$ _____
462.2	Private Fire Protection.....			\$ _____
	Total Fire Protection Revenue.....			\$ _____
464	Other Sales to Public Authorities.....			\$ _____
465	Sales to Irrigation Customers.....			\$ _____
466	Sales for Resale.....	1	1	\$ 32,432
467	Interdepartmental Sales.....			\$ _____
	Total Sales of Water	4,545	4,647	\$1,169,503
	Other Water Revenues:			
469	Guaranteed Revenues.....			\$ _____
470	Forfeited Discounts.....			\$ 48,283
471	Miscellaneous Service Revenues.....			\$ _____
472	Rents from Water Property.....			\$ _____
473	Interdepartmental Rents.....			\$ _____
474	Other Water Revenues.....			\$ _____
	Total Other Water Revenues.....			\$ _____
	Total Water Operating Revenues.....			\$1,217,786

WATER UTILITY EXPENSE ACCOUNTS

ACCT NO (a)	ACCOUNT NAME (b)	CURRENT YEAR (c)	WATER EXPENSE ACCOUNT MATRIX										
			.1 SOURCE OF SUPPLY & PUMPING OPERATION (d)	.2 SOURCE OF SUPPLY & PUMPING EXPENSES- MAINTEN. (e)	.3 WATER TREATMENT OPERATION (f)	.4 WATER TREATMENT EXPENSES- MAINTEN. (g)	.5 TRANS. & DISTRIBU. EXPENSES- OPERATION (h)	.6 TRANS & DISTRIBU. EXPENSES- MAINTEN. (i)	.7 CUSTOMER ACCOUNTS EXPENSE (j)	.8 ADMINS- TRATIVE & GENERAL EXPENSES (k)			
601	Salaries and Wages-Employees.	\$											
603	Salaries & Wages- Officers, Commissioners & Directors.	630	630										
604	Employee Pensions & Benefits.	458,219	458,219	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
610	Purchased Water.....	22,306		XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
615	Purchased Power.....			XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
616	Fuel for Power Production....			XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX	XXXXXX
618	Chemicals.....												
620	Materials & Supplies.....	185,118											
631	Contractual Services - Eng....	2,510											
632	Contractual Services - Acct..	11,445											
633	Contractual Services - Legal.	142											
634	Contractual Services - Management Fees.....												
635	Contractual Services - Water Testing.....	326,622											
636	Contractual Services - Other.												
641	Rental of Bldg./Real Property												
642	Rental of Equipment.....												
650	Transportation Expenses.....												
656	Insurance - Vehicles.....												
657	Insurance - Genl. Liability..	5,410											
658	Insurance - Worker's Compensation.....												
659	Insurance - Other.....	2,238											
660	Advertising Expenses.....												
666	Regulatory Commission Exp. - Amortization of Rate Case Expenses.....												
667	Regulatory Commission Exp. - Other.....												
668	Water Resource Conservation Expense.....												
670	Bad Debt Expense.....	6,331											
675	Miscellaneous Expenses.....	7,775											
	Total Water Utility Expenses.	\$1,028,746	\$458,849	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$131,626

PUMPING AND PURCHASED WATER STATISTICS

(a)	WATER PURCHASED FOR RESALE (Omit 000's) (b)	WATER PUMPED FROM WELLS (Omit 000's) (c)	TOTAL WATER PUMPED AND PURCHASED (Omit 000's) (d)	WATER SOLD TO CUSTOMERS (Omit 000's) (e)
January.....	30,740		30,740	21,512
February.....	26,550		26,550	21,962
March.....	29,444		29,444	18,609
April.....	30,006		30,006	22,556
May.....	33,634		33,634	23,799
June.....	32,274		32,274	25,194
July.....	33,460		33,460	23,493
August.....	32,230		32,230	26,631
September.....	32,633		32,633	25,160
October.....	31,402		31,402	20,634
November.....	30,301		30,301	24,447
December.....	28,687		28,687	21,425
Total for year....	371,361		371,361	275,422

Maximum gallons pumped by all methods in any one day (Omit 000's): N/A

Date / /

Minimum gallons pumped by all methods in any one day (Omit 000's): N/A

Date / /

If water is purchased, indicate the following:

Vendor Wood Creek Water District

Point of delivery master meter on Daniel Boone Parkway

If water is sold to other water utilities for redistribution, list the names of such utilities below:

Hima Sibert Water District

SALES FOR RESALE (466)

LINE #	COMPANY	GALLONS (Omit 000's)	AVG. RATE PER 1,000 GALLONS (CENTS)	AMOUNT
1	Hima Sibert Water District	20,270	.0016	32,432
2				
3				
4				
5				
6				
7				
8	TOTAL	20,270	.0016	32,432

WATER STATISTICS

LINE #	ITEM	GALLONS (Omit 000's)
1	WATER PRODUCED, PURCHASED & DISTRIBUTED:	
2	Water Produced	
3	Water Purchased	371,361
4	TOTAL PRODUCED AND PURCHASED	371,361
5		
6	WATER SALES:	
7	Residential	238,546
8	Commercial	16,606
9	Industrial	
10	Bulk Loading Stations	
11	Resale	20,270
12	Other Sales	
13	TOTAL WATER SALES	275,422
14		
15	OTHER WATER USED:	
16	Utility/water treatment plant	
17	Wastewater plant	1,316
18	System Flushing	3,995
19	Fire Department	35,667
20	Other	40,978
21	TOTAL OTHER WATER USED	40,978
22		
23	WATER LOSS:	
24	Tank Overflows	
25	Line Breaks	
26	Line Leaks	
27	Other	
28	TOTAL LINE LOSS	
29		
30	Note: Line 13 + Line 21 + Line 28 Must Equal Line 4	54,961
31		
32	WATER LOSS PERCENTAGE:	
33	Line 28 divided by Line 4	14.80%

PLANT STATISTICS

Give the following information:

1. Number of fire hydrants, by size.
2. Number of private fire hydrants, by size.
3. If produced, whether water supply is river, impounded stream, well, springs, artificial lake or collector type well.
4. If produced, whether supply is by gravity, pumping, or a combination.
5. Type, capacity, and elevation of reservoirs at overflow and ground level.
6. Miles of main by size and kind.
7. Types of filters: gravity or pressure, number of units, and total rated capacity in gallons per minute.
8. Type of disinfectant, number of units and capacity in pounds per 24 hours.
9. Station equipment. List each pump separately, giving type and capacity and H.P. of driving unit and character of driving unit (steam, electric, or internal combustion). State whether pump is high or low duty.
10. Quantity of fuel used: coal in pounds, gas in cu. ft., oil in gallons, and electric in KWH.
11. Give a description and total cost of any sizable additions or retirements to plant in service outside the normal system growth for the period covered by this report.
12. Capacity of clear well.
13. Peak month, in gallons of water sold.
14. Peak day, in gallons of water sold.

1. 82 Various

2. None

3. Purchased from Wood Creek Water District

4. Pumping

5. One - 275,000 gallon storage tank, 1420 ft elevation
 One - 300,000 gallon storage tank, 1420 ft elevation
 One - 1,000,000 gallon storage tank, 1420 ft. elevation
 One - 500,000 gallon storage tank, 1420 ft. elevation

6. Two hundred twenty-seven (227) miles of main, various 3,4,6,8,12, and 16 inch lines

7. None (Water purchased)

8. None (Water purchased)

9. 2 each, 200 gpm, 20 hp high duty electric pumps
 2 each, 200 gpm, 15 hp high duty electric pumps
 2 each, 750 gpm, 15 hp high duty electric pumps

10. 341,341 kwh

11. None

12. N/A

13. May 03 34,636,700

14. Oct 01, 2003 1,847,139

OATH

Commonwealth of Kentucky)
County of Laurel) ss:

Douglas Day makes oath and says
(Name of Officer)

that he/she is Chairman of the District of
(Official title of officer)

East Laurel Water District
(Exact legal title or name of respondent)

that it is his/her duty to have supervision over the books of account of the respondent and to control the manner in which such books are kept; that he/she knows that such books have, during the period covered by the foregoing report, been kept in good faith in accordance with the accounting and other orders of the Public Service Commission of Kentucky, effective during the said period; that he/she has carefully examined the said report and to the best of his/her knowledge and belief the entries contained in the said report have, so far as they relate to matters of account, been accurately taken from the said books of account and are in exact accordance therewith; that he/she believes that all other statements of fact contained in the said report are true; and that the said report is a correct and complete statement of the business and affairs of the above-named respondent during the period of time from and including

January 1, 2003, to and including December 31, 2003

(Signature of Officer)

Subscribed and sworn to before me, a _____, in and for
the State and County named in the above this _____ day of _____, 2004

(Apply Seal Here)

My Commission expires _____

(Signature of officer authorized to administer oath)